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Sub-Saharan Africa Report

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26 October 1984

SUB-SAHARAN AFRICA REPORT

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INTER-AFRICAN AFFAIRS

NIGERIA TO SIGN TRADE PACT WITH TOGO, BENIN, GHANA

Kaduna SUNDAY NEW NIGERIAN in English 23 Sep 84 p 12

[Text] Nigeria intends to sign trade agreement with the Republic of Benin, Ghana and Togo to promote economic stability in the sub-region, the Minister of External Affairs, Dr Ibrahim Gambari, has said in Paris.

Dr Gambari told newsmen at the Nigerian Embassy that the agreement would, among other things, entail the payment in "hard currency" for trade and economic transactions.

He said the measure would discourage smuggling and currency trafficking which, he said, constituted the greatest threat to economic stability in the sub-region.

He said that officials of the four countries were working on the agreement, adding that ministers of external and internal affairs would meet again in Lome to study the document.

Dr Gambari said that the agreement would complement and strengthen the activities of ECOWAS.

On continental issues, Dr Gambari said that Nigeria would reject any attempt to effect internal settlement in Namibia, adding that Resolution 435 was the acceptable basis for achieving a lasting peace in the territory.

UN Resolution 435 calls for immediate and unconditional independence for Namibia.

He said that there was no doubt that SWAPO was the sole legitimate representative of the Namibian people and that it would also be unacceptable to bring in extraneous factors like withdrawal of Cuban troops from Angola.

Dr Gambari said that the constitutional changes in apartheid South Africa were "cosmetic" adding that Nigeria and in fact the whole world, should not give external credibility to the racist regime while it could not boast of internal credibility and respect. (NAN)

CSO: 3400/52

ROLE OF 'SERTO ADER' DETAILED

Addis Ababa THE ETHIOPIAN HERALD in English 16 Sep 84 pp 2, 6

[Article by Melaku G/Yohannes: "The Party Organ"]

[Text] The great Russian revolutionaty democrat A.I. Gerzen noted that the press or propaganda is clearly divided into two parts, "on the one hand is the word, advice, analysis, disclosures, theory; on the other, training the masses, building inner and outer relations." This means that the press has the ability to become not only an ideological but also a practical organizational centre.

The paramount importance and dynamism of the press stems from its being a means of spreading official news and government directives, a channel of information, the disseminator of enlightenment and human ideas, the disclosure of shortcomings, a sharp weapon of class and party struggle, a means of revolutionary education and unification of the masses. Items of news, knowledge, the educational possibilities of the press in the organ of each of the press camps found a very definite filtration and acquired its own interpretation.

K. Marx and F. Engels were able to reveal in depth the most important objective laws and principles of the press in the epoch of the capitalism's development with its class antagonisms and class struggles.

Immediately after actively entering into publicist and editorial work, when he still upheld not a proletarian but a revolutionary democratic position, Marx said that the press has its inner laws that cannot and must not be arbitrarily revolved. No one can impress on it something that is alien to its nature.

K. Marx discovered very shortly that behind the press there stand classes which determine its position on which it is fully dependent. Then, with a maximum clarity, he showed that the class which has material means at its disposal, also owns the intellectual or mental means, and therefore the thinking of those who do not have these means is subordinated to the ruling class.

Moreover, in the works of Marx and Engels there are descriptions and practical examples of the most important principles and features of the communist press. This establishes its role in the fight against feudal and bourgeois systems its use as a weapon of the party and a means of uniting its followers.

However, it remained to be Lenin's job to carry out what had been known earlier. Not a single party and state figure, not a single revolutionary or scholar devoted such attention, energy and creative enthusiasm to the theory and practice of journalism as did Lenin.

Lenin, the creator and leader of the Communist Party and the creator of the press of a new type--its organizer and leader, publicist and theoretician--and did not only regard the press as the shaprest weapon of struggle, as a medium of propaganda, agitation and organization, but he simply could not also imagine any successful activities of the Communist Party and the Soviet State without the press.

In Lenin's words, in so far as political freedom has not been attained, it must be replaced by a revolutionary paper, without which in Russia it was impossible to achieve any broad organization of the working class movement.

"The Central point of all the revolutionary, propagandistic, agitational and organizational activities," he added, "can and must be the organ of the party." Lenin as the organizer and head of "Iskra" (Spark), which was the creator and organ of the party, was guided by these principles. Even apart from such an exceptionally high assessment of a revolutionary organ, it is necessary to call attention to the fact that Lenin, simultaneously, singled out the role of such an organ under the most reactionary, anti-democratic conditions. But even with the attainment of democratic freedom, according to Lenin, the role of the revolutionary press remains important, because democracy does not do away with class struggle. It only makes it conscious, free and open and the role of real revolutionaries to fight for its unremitting development and to lead this struggle to its proper conclusion.

Later on Lenin noted opportunities of the bourgeois as the most virulent counter-revolution in the press sphere, since "the press is the centre and the foundation of political organization..." and therefore, "in the land of the Soviets, surrounded by enemies, to permit freedom of the press, would mean to permit the bourgeois the freedom to politically unite itself.

The Leninist conception is based on unshakable class foundation and the unity of the press with the liberation movement of the working class. This condition, the sphere of the objective laws of the press, characterizes its political tendency, including whatever has a relation to its principles such as a communist ideology and partisanship.

In a political newspaper there is no, and there cannot be purely informative or entertaining material. Everything fulfils a propagandist or agitational role and, at the same time, serves its class. A word, which in corresponding manner formulates the consciousness of its readers, the ideological unification of its adherents, arousing them to struggle and enriching their experience from such struggle, acts as an organizer.

The period of heightened class struggles or on the contrary the period of a sharpest reaction, increases the organizational force of the printed word, helping to transform it into action.

"The role of a newspaper, Lenin wrote in his article 'Where to begin,' is not confined only to spreading ideas, to political education and attracting political followers but has also a role in creating a party."

In brief, Lenin regarded a party newspaper not only as a collective propagandist and agitator, but also a collective organizer. He also added that, "but if it is to be successful in performing its third and most important function, the socialist press must not only correctly guide the masses in accordance with party's political line, but also accumulate the practical experience of millions of builders of the new society and be an arena for the struggle of opinions, criticism and self-criticism designed to improve the state of things in economic and cultural life."

Lenin said that everyone has the right and duty to criticize all that is backward and conservative. "If we are not afraid of admitting our mistakes," he wrote, "not afraid of making repeated efforts to rectify them, we shall reach the very summit." He also taught to face the truth, however, unpleasant, to make the press widely available for criticism, to wage in its pages uncompromising revolutionary war against wrong-doers.

For instance, the tone of criticism is set by the Communist Party of the Soviet Union. The right and, moreover, the duty of each communist to develop criticism, to combat window-dressing, conceit and complacency, to resolutely rebuff all attempts to suppress criticism are also recorded in the rules of the Communist Party of the Soviet Union.

A press which expresses the most profound interests of the working masses, therefore, has the greatest success in attracting adherents in their ideological and organizational unification.

Revolutionary Ethiopia, in this regard, witnessed four years ago the birth of Serto Ader, the organ of the Central Committee of COPWE. Although COPWE was not a party, both served as instruments in the process of establishing the vanguard party in the country. Since its establishment, Serto Ader served as a collective propagandist, agitator and collective organizer, thus strengthening the revolutionary drive towards the establishment of a socialist society under the umbrella of the Revolutionary Government and COPWE. Serto Ader has now become the organ of the Central Committee of the Workers Party of Ethiopia.

Serto Ader is the vanguard, in the very midst of the struggle to carry into effect the decisions of the Founding Congress of the Workers Party of Ethiopia.

Serto Ader's prestige is growing by leaps and bounds. Having a large circulation and a wider treatment of subjects of the party and the government, readers unfold the paper to learn about life in our country, to see what important events have taken place around and what Serto Ader, the voice of the Party, the voice of the broad masses of Ethiopia, says about them.

CSO: 3400/63

CENTRAL SECTOR COMMAND MEMBERS DEMONSTRATE CREATIVE POTENTIALS

Addis Ababa THE ETHIOPIAN HERALD in English 30 Sep 84 p 1

[Text] Members of different sections of the Central Sector Command have used their engineering skills and technical capability to produce a variety of instruments so that this would coincide with the formation of the Workers Party of Ethiopia (WPE) and the 10th anniversary celebration of the Ethiopian Revolution.

The members have created automative products such as instruments useful for the running of batteries, for basting brake linings, for carrying accounting duties and duplicating work as well as cranes for supporting motors.

Also the members have devised facilities such as ovens from biogas, cupboards that would be used in the fields and different kinds of telephone and radio systems.

The products, which were made by the members during their spare hours, were yesterday inspected by Comrade Brig Gen Abebe Gebreyes, member of the Central Committee of WPE and Commander of the Central Sector Command, together with senior officers of the command and other invited guests.

Comrade Major Lakew Wolde-Senbet, Acting Head of the Political Department of the Central Sector Command, made a statement on the occasion stressing the contribution which the members of the Revolutionary Army are making in the field of maintenance in addition to their regular duties.

This, he said, demonstrates their love for work and their high political consciousness. He said that similar activities would continue and would be expanded in all aspects.

Meanwhile, members of the Southern Sector command musical brigade trained by the ground Force artistic troupe received certificates here yesterday following prolonged training in theatrical and musical performance.

The trainees were awarded certificates by Comrade Brig Gen Hailu Gebre-Michael, CC member of WPE and Deputy Commander and Chief of Staff of the Ground Force, who noted on the occasion that this particular field had been neglected during the past regime but has been revived following the onset of the Revolution.

Trainees with outstanding results, disciplinary excellence and ideological consciousness were also awarded certificates and prizes by Comrade Major Kawsu Taye, Acting Head of the Political Department of the Ground Force.

Following the graduation an exhibition depicting the progress made by the musical band of the Ground Force since its establishment went on display.
(ENA)

CSO: 3400/63

OFFICER CADETS RECEIVE FLIGHT WINGS, PRIZES

Addis Ababa THE ETHIOPIAN HERALD in English 30 Sep 84 pp 1, 6

[Text] Debre Zeit (ENA)--Officer cadets and other Air Force members drawn from various sections of the Revolutionary Ethiopian Air Force were yesterday awarded flight wings, prizes and certificates at the Air Force Base here.

While some of those who followed the officer orientation course and who have attained Lt and Captain ranks had graduated from the Addis Ababa University but didn't follow any officer course, others had been to the Soviet Union for prolonged education. The latter were given leadership training consonant with practice followed in the Ethiopian Air Force in particular.

After handing over the prizes and badges, Comrade Brig-Gen Fanta Belay, CC member of the WPE and Commander of the Revolutionary Ethiopia Air Force emphasised the struggle waged by the Revolutionary Armed Forces in safeguarding the unity and territorial integrity of the Motherland and the contribution made by them towards the founding of the Workers Party of Ethiopia.

Comrade Brig Gen-Fanta exhorted the graduates to remain vigilant in order to foil the conspiracies of reactionaries and the enemies of the country. He noted that they should make maximum effort to implement development schemes adopted by the Workers Party of Ethiopia just as they had faithfully executed the directives given by the Revolutionary Government and COPWE in the past.

Comrade Brig-Gen Fanta went on to say that providing members of the Air Force with relevant training and experience collectively or individually will both alleviate the sacrifice borne during the execution of duty and create situations conducive for the conduct of peace time activity.

Comrade Col Solomon Beyene, Commander of the Air Force Training Centre, said on his part that the Air Force which is part of the Revolutionary Armed Forces and which had translated into deeds the directive of the Revolutionary Government and of COPWE, will continue to implement all development schemes following the guidance of WPE.

Unstinted efforts are being made to promote the combat skills of the air-force in the conviction that peace can best be assured through a strong defence bulwark, Comrade Col Solomon pointed out.

The course participants during their stay in the centre acquired enough knowledge in airforce regulations, directives and working methods, defence conditions, international relations and particularly Ethiopian foreign relations as well as in leadership and administration.

Comrade Col Solomon also disclosed that apart from following classroom lessons the course participants were exposed to simulated battle routines.

Earlier, the graduating cadets marched past and took the oath of allegiance and also performed various flight shows.

Present at the graduation ceremony were Comrade Commodore Tesfaye Berhanu, member of the CC of WPE and Commander of the Navy, Comrade Col Jotema Ijelu, Head of the Air Force Political Department, and ranking military and police officers.

CSO: 3400/63

FORMATION OF WPE STRENGTHENS STUDENTS UNIONS ABROAD

Addis Ababa THE ETHIOPIAN HERALD in English 21 Sep 84 pp 1, 6

[Text] The formation of the Workers Party of Ethiopia (WPE) contributes significantly to the strengthening of the Revolutionary Ethiopia Students Union abroad, said two students' association chairmen who attended the Founding Congress of WPE.

The chairman of the Revolutionary Ethiopia Students' Union in Europe and Cuba made the statement here yesterday while briefing reporters on the formation of their respective students' associations and their objectives and the role they played in popularizing the Ethiopia Revolution.

The two comrades said that the Revolutionary Ethiopia Students' Union in Europe and Cuba which embrace altogether over 7,000 members had made various preparations in collaboration with the Ethiopian embassies abroad in connection with the formation of the Workers Party of Ethiopia and the tenth anniversary celebration of the Revolution.

The comrades pointed out that a week of solidarity with the Ethiopian Revolution was marked for September 6 to 13, 1984 in response to the call made by the World Federation of Democratic Youth (WFDY) and the International Students Union to over 400 members associations.

During the solidarity week the associations were able to popularize the Ethiopian Revolution and culture by organizing artistic and sports shows and by holding seminars and staging festivals and cultural nights, said the comrades.

The two comrades further noted that their respective associations had pledged to translate into deeds the resolutions and directives of the WPE.

The comrades stressed that the discipline of the participants of the WPE Founding Congress, the in-depth report of Comrade Mengistu Haile-Mariam and the representation of all sections of the society show genuineness of the Revolution and the high stage of progress it attained.

Comrade Tadesse Worku, Chairman of the Revolutionary Ethiopia Students' Union chapter in Europe, said that the union's chapter in Europe came into existence 24 years ago and that it was restructured under the Revolutionary Ethiopia Youth Association during its 20th congress which took place in the German Democratic Republic (GDR) three years ago.

The Revolutionary Ethiopia Students' Union in Europe has three zonal, 13 branches, 64 local and 240 basic bodies and comprises over 4,000 Ethiopian students and workers.

Comrade Alemu Bewketu, Chairman of the Revolutionary Ethiopia Students' Union chapter in Cuba said on his part that the union's chapter in Cuba was formed before the establishment of REYA and that at present it is embraced by REYA.

Comrade Alemu revealed that the students' association in Cuba has 3,500 members.

The Chairman of the two students' associations pointed out that their associations were exerting every effort to raise the level of consciousness of the members.

The two comrades said that a conspicuous role is being played to enlighten the members with the objective reality in Ethiopia. The associations have also contributed their due share in supporting compatriots affected by natural and man-made calamities.

The comrades noted that the members, realizing that the National Military Service is their right and duty, have completed the necessary formalities. (ENA)

CSO: 3400/63

POWER DISTRIBUTION CENTER INAUGURATED

Addis Ababa THE ETHIOPIAN HERALD in English 26 Sep 84 pp 1, 4

[Text] The Northern Addis Ababa Power Distribution Centre of the Ethiopian Electric Light and Power Authority (EELPA) was inaugurated here yesterday.

The new facility, which was built at a cost of six million birr, will strengthen distribution potential of the northern sector of the capital and its environs.

Out of the total cost of the project, 4,384,000 birr was secured through a loan granted by the Government of Italy.

The Distribution Centre with a 20 megawatt power is the first project of its kind built solely through Ethiopian knowhow which resulted in saving 1,500,000 birr.

The power Distribution Centre was inaugurated by Comrade Lemmu Gutema, Central Committee member of WPE and First Secretary of the WPE Committee for Addis Ababa, who pressed the button to make the facility operational.

The Distribution Centre is fully equipped with modern electric apparatus that will enable it to give service to the central and northern sectors of the city by relaying the power received through the 132 KV channel from the Gefersa station located 12 kms west of Addis Ababa.

Comrade Tessema Abuderash, General Manager of EELPA, said on the occasion that several regions and towns have begun receiving power service since the past ten years of the revolution due to the priority given to electrification of both urban and rural areas.

The General Manager added that in order to meet the power needs of the residents of Addis Ababa, seven electric power distribution centres were made operational at costs totalling 11,000,000 birr and noted that a plan has been worked out to raise the number of EELPA offices from four to five.

Comrade Tessema also disclosed that having ascertained that the electric power needs of the residents of Addis Ababa increases by seven percent

annually, with the number of clients having soared to 130,000, the Authority has built twelve major and 1,000 smaller distribution centres along a distance of kms through a 15,000 KV channel.

Present at the inaugural ceremony were Comrade Tekesa Shoa Aytenfisu, member of the Central Committee of WPE and Minister of Mines and Energy Resources, department heads of the Authority as well as invited guests.
(ENA)

CSO: 3400/63

BRIEFS

NEW HEALTH PUBLICATION--The first publication of the Ethiopian Health Development Journal (EJHD) was issued here recently, according to a press release from the National Health Development network of Ethiopia (NHDN-E) whose office is situated in the department of community health of the Medical Faculty of the Addis Ababa University. The journal is dedicated to the goal of "Health for All by the Year 2000" and promotes the Primary Health Care approach as a means to achieve it, the press release noted. EJHD serves as a national forum for the exchange of scientific knowledge and experience as regards health development, the release added. [Excerpt] [Addis Ababa THE ETHIOPIAN HERALD in English 21 Sep 84 p 1]

PEOPLE'S MILITIA GRADUATES--Zuwai (ENA)--Certificates were presented here this week to 200 local people's militia members upon completion of a four-month military course and political orientation in Shashemene district of Shoa region here this week. The new recruits were drawn from 50 peasants' associations in the district. Certificates of participation were also given to 107 people's militia members drawn from the 81 kebele peasants associations in Dugda district of Shoa region and from Keki town. The certificates were handed out to the members of the people's militia who graduated during the ceremony held in Shashemene town by Comrade Tefera Mamo, Head of Organizational Affairs of the WPE Committee for Shashemene district, and by Comrade Tesfaye Belachew, Head of Ideological Affairs of the WPE Committee of the same district. The militia recruit trainees graduating in Meki town received their certificates from Comrade Tilahun Kebede, Head of Discipline and Control Affairs of the WPE Committee for Haikotch-Butajira province. [Text] [Addis Ababa THE ETHIOPIAN HERALD in English 19 Sep 84 p 6]

GDR YOUTH BRIGADE--Twenty-two members of the Free German Youth of the Warner Lamberz Brigade arrived here Tuesday. The team, which is led by Comrade Wolfiram Haine, will be deployed in Arsi and Bale regions to harvest crops and to maintain various technical equipment during the coming two months. The team is here in Ethiopia for the fifth time to provide similar services based on an agreement between the Revolutionary Ethiopia Youth Association and the GDR brigade. (ENA) [Text] [Addis Ababa THE ETHIOPIAN HERALD in English 20 Sep 84 p 1]

TERRITORIAL MILITIA TRAINEES--Zwai (ENA)--One hundred and forty-six individuals trained as territorial militia drawn from 82 peasants associations in Hikotch-Butajira province and Butajira town, of Shoa region were awarded certificates recently on completion of a three-month military and political training course. Comrade Girma Denbel, Head of the Ideological Affairs of the WPE Committee of Meskan and Mareko district, Comrade Abate Teshome, Head of Organizational Affairs of the district, and Comrade Begashaw Tilahun, Administrator of the district handed out the certificates to the trainees. Meanwhile, 106 militiamen drawn from ten kebeles of Shashamene district in the same province were presented with certificates upon completion of a four-month similar training. Certificates of participation and prizes were given to those who excelled during the training programme. The trainees received their certificates and prizes from Comrade Terefe Mamo, Head of Organizational Affairs of Shashamene district WPE, Comrade Tesfaye Belachew, Head of Ideological Affairs of the district's WPE and Comrade Efrem Motbainor, Administrator of Shashamene district. [Text] [Addis Ababa THE ETHIOPIAN HERALD in English 22 Sep 84 p 3]

GAMBELA PEOPLE'S MILITIA--Gambela (ENA)--A total of 486 people's militia members drawn from Gambela province of Illubabur region received certificates Friday upon completion of a two-month political consciousness and military training course. Prizes and certificates to the group were handed over by Comrade Simon Galore, CC Member of the WPE and First-Secretary of the WPE Committee of Illubabur region. Speaking on the occasion, Comrade Simon reminded the graduates of their responsibility to contribute towards the cultural and economic construction beyond their normal duty of safeguarding their immediate environs and defending the Revolution. Present on the occasion were Comrade Anim ut Kinde, Chief Administrator of Illubabur region, and other high ranking officials of the region. [Text] [Addis Ababa THE ETHIOPIAN HERALD in English 23 Sep 84 p 6]

ETHIOPIA-MONGOLIA AGREEMENT--An agreement was signed here yesterday between Socialist Ethiopia and the Mongolian People's Republic in the cultural, educational and scientific fields of mutual endeavour. The agreement, to be operative during 1985-87 was signed by Comrade Zewde Gurmu, Permanent Secretary of the Ministry of Culture, and Comrade Sonomdorjiin Dambadarjaa, Ambassador of the Mongolian People's Republic resident in Nairobi. Present at the signing ceremony were Comrade Girma Yilma, member of the Central Committee of WPE and Minister of Culture and a Politbureau member of the Mongolian People's Revolutionary Party and Chairman of the Control Committee of the Party. The agreement provides for the exchange of experience among experts of the two countries. (ENA) [Text] [Addis Ababa THE ETHIOPIAN HERALD in English 14 Sep 84 p 8]

JIJJIGA MILITIA--Jijjiga (ENA)--Certificates of participation were presented here Wednesday to local people's militia who had followed a month-long military and political education course after having been selected from 10 peasants' associations in Jijjiga province, Hararghe region. Comrade Kassegne Feleke, First Secretary of the provincial WPE Committee, and other officials presented the certificates to the militiamen at a ceremony held at

the adults' training centre in Jijjiga town. Speaking at the ceremony, Comrade Kassenge noted the contributions of the inhabitants of Jijjiga province in keeping their localities free from anti-people elements and their laudable participation in economic construction. Comrade Kassenge advised the militiamen to translate into deeds the knowledge and ideas they acquired during the training period. Present at the ceremony were members of the provincial WPE Committee and representatives of government departments and mass organizations. Present at the ceremony were members of the provincial WPE Committee and representatives of government departments and mass organizations. [Text] [Addis Ababa THE ETHIOPIAN HERALD in English 29 Sep 84 p 6]

KAFFA POLICE AWARDS--Jimma (ENA)--Meritorious members of the Revolutionary Police in Kaffa region were awarded special prizes and certificates recently for their outstanding contribution in various spheres. The awards were handed out to the recipients by Comrade Col Atlabachew Gashaw, Commander of the Revolutionary Police in the region. Comrade Col Atlabachew noted that the Revolution safeguarded through the immense sacrifice paid by the men in uniform has now attained a vanguard party guided by genuine Marxism-Leninism and reminded members of the regional police to work harder. Artistic troupes of the regional police presented a drama highlighting the injustice suffered by the broad masses of Ethiopia prior to the eruption of the revolution and the victories scored during the last decade. Meanwhile, the last 11 adults to be freed from illiteracy from among the Revolutionary Police members in Kaffa region recently received certificates after successfully completing their literacy education. Persons who had served in the executive committee of the literacy campaign among the policemen and 37 police members who participated in the teaching process from the eighth to the 11th round were also presented with certificates of participation and prizes by Comrade Major Bekole Yimer, Head of the Political department of Kaffa regional revolutionary police. Present on the occasion were Comrade Col Atlabachew Gashaw, Chief of the regional Police Force, high ranking officers and other members of the Revolutionary Police. [Text] [Addis Ababa THE ETHIOPIAN HERALD in English 30 Sep 84 pp 1, 5]

CSO: 3400/63

BRIEFS

RICE GIFT TO GUINEA--Two thousand tons of rice were presented to Guinea this morning by the USSR. The presentation ceremony, held at Conakry Harbor, was chaired by Planning and Statistics Minister Captain Bahourou Conde and the USSR ambassador to Guinea, His Excellency Vladimir Kitayev. [Summary]
[AB092127 Conakry Domestic Service in French 1945 GMT 9 Oct 84]

CSO: 3419/44

SOVIET RESEARCH SHIP CONCLUDES INITIAL MISSION

Victoria NATION in English 1 Sep 84 pp 1, 2

[Text] An initial survey carried out by the Soviet research vessel RV Akademik Aleksandr Vinogradov shows several exciting geophysical regions in Seychelles and "very promising potential for development," the leader of the mission has said.

Speaking before the ship sailed for Riga on Thursday, Dr Boris Preobrazhensky said that an initial report and samples collected on two cruises had been made available to the Government of Seychelles and indicated that a fuller report would be submitted shortly.

Despite being dogged by heavy weather conditions, the mission was a successful one, according to Dr Preobrazhensky, who heads the Department of Sciences at the Pacific Institute of Geography of the Far Eastern Centre of the USSR Academy of Sciences. He was accompanied on this mission by 63 scientists representing several disciplines from various universities and research institutions of the USSR.

One of the most exciting finds appeared to be the nature and composition of the plateau on which the inner islands of Mahe, Silhouette, La Digue and Praslin stand. "This could very well be a unique kind of super "atoll," perhaps the only one of this kind in the world," said Dr Preobrazhensky.

This "atoll" could be about 31,000 square kilometres in extent and during the last 100,000 years, according to Dr Preobrazhensky, might have surfaced twice due to the "breathing of the earth." This is a known feature of certain atolls.

The granitic islands of Seychelles are already unique in that they are the only oceanic group of their kind.

Dr Preobrazhensky also said that under no circumstances should the corals be dug or blown up as the highly nutrient red algae that covered them was vital for fish and other marine life.

Another USSR scientific mission is expected shortly.

CSO: 3400/61

SPPF SOCIAL AFFAIRS SECRETARY SATISFIED WITH EUROPEAN VISITS

Victoria NATION in English 1 Sep 84 p 1

[Text]

MR. JOSEPH Belmont, the Seychelles People's Progressive Front Secretary for Social Affairs and Minister for Labour and Social Security returned home yesterday morning well satisfied with his visits to Romania and Sweden.

Mr. Belmont's first stop was in Bucharest where he represented the Party and the Government in four days of celebrations marking the 40th anniversary of the liberation of Romania from fascism and of the start of the country's socialist revolution. Mr. Belmont joined representatives, including several African, Asian and European heads of state, from 120 countries and 30 progressive parties.

Speaking in an airport interview on his arrival, Mr.

Belmont said that he had been very impressed by the economic, social and industrial achievements of Romania over the past 40 years.

Although he did not get the opportunity to visit any enterprises or industries, he was able to assess the level reached in these fields through an industrial exhibition that was held as part of the celebrations.

Mr. Belmont was particularly impressed by the agricultural sector in which the country had reached a high standard of self-sufficiency.

The Seychellois minister also held talks with his Romanian counterpart, Mr. Maxim Berghianu, and reviewed with Foreign Affairs officials several co-operation projects which Seychelles had submitted to Romania.

From Romania Minister Belmont travelled to Stockholm to join President Albert René on his official visit to Sweden.

The delegation held discussions with Swedish Prime Minister Olof Palme and senior officials of the Swedish Foreign Affairs Ministry.

The two countries discussed a co-operation programme, Minister Belmont said, adding that this would be mainly in the technological field.

Seychelles would also benefit from commodity aid from Stockholm while the possibility of treating heart cases in Sweden was being looked into.

President René also met the Swedish members of the Seychelles-Sweden Friendship Association.

CSSR OFFICIAL ON SUCCESS OF VISIT

Victoria NATION in English 14 Sep 84 pp 1, 10

[Text]

THE President of the Czechoslovak Union of Women (CUW), Mrs. Maria Kabrhelova, left Seychelles yesterday afternoon with what she described as an unforgettable impression of the considerable progress the country and its women had made in just seven years.

"What we have seen here in just four days we will never forget," Mrs. Kabrhelova told the press at the airport after a four-day familiarisation visit accompanied by Mrs. Eva Mickova of the Union's international relations section.

"Anyone who visits your country as an objective friend — and coming from a fellow socialist country we think that we are your friends — has to accept that within the last seven years, you have achieved a lot of successes and brought about many changes," said Mrs. Kabrhelova, who is also a member of the Central Committee of the Czechoslovak Communist Party.

The CUW delegation particularly admired Seychelles' progress in education, youth development, health, housing and care for the elderly and in improving the general living standards of the people.

Mrs. Kabrhelova and Mrs. Mickova made special mention of the opportunities Seychelles offered its women to be able to truly develop their capacities equally alongside the men.

"Your women have succeeded in reaching a very high degree of emancipation and we were proud to see two women as secretaries of the Central Committee of the Party and many others holding very important posts," Mrs. Kabrhelova said.

The CUW delegation also elaborated on their impressions of the National Youth Service which, they said, had apparently established a place for itself in the development of the society.

The Czechoslovak women were pleased to see how the NYS was cultivating a spirit of responsibility and collective self-reliance in the students while helping them to develop into skilled, respectful, disciplined and hard-working citizens.

Mrs. Kabrhelova noted that all this progress was the result of a bold and ambitious party (Seychelles People's Progressive Front) programme that was very demanding, but which

obviously depended on the active participation of all the citizens to whom it was proving to be so beneficial.

Commenting on the talks they held with the Seychelles Women's Association (SWA) over the past four days, Mrs.

Kabrhelova said that these were characterised by the deep friendship and understanding that was to be expected between two organisations with a history of close ties.

The two sides discussed future co-operation aimed at strengthening relations between the women of the two countries, the CUW leader said.

Mrs. Rita Simon, the Chairman of the SWA and PPF Secretary for External Relations who led the Women's Association delegation that saw the Czechoslovak

guests off, said the discussions were very fruitful.

The two sides agreed to consult each other before next year's U.N. Decade for Women conference in Nairobi, Mrs. Simon said, and the SWA had decided to join the Women's International Democratic Federation so as to play a better part in the international struggle for peace and disarmament.

Two people from Seychelles would also make a study tour of Czechoslovakia examining the status of women there and their contribution to national development.

From Seychelles the Czechoslovak delegation is travelling to Zimbabwe to spend a week as guests of the Women's League of the Zimbabwe African National Union (ZANU).

CSO: 3400/61

SEYCHELLES, JAPAN LOOK TO BETTER COOPERATION

Victoria NATION in English 24 Sep 84 p 1

[Text]

PROSPECTS for more Japanese governmental and non-governmental co-operation in Seychelles' development look brighter following a week's working visit to Japan by Mr. Jacques Hodoul, the Minister for National Development and SPPF Secretary for Political Education.

Mr. Hodoul said after his return to Seychelles on Saturday morning that although the Ministry of Foreign Affairs in Tokyo explained that Japan was directing most of its aid to developing countries that were poorer than Seychelles, the Japanese government wanted to start negotiations as soon as possible on future agreements over fishing licences for Japanese vessels in the islands' exclusive economic zone and on Japanese volunteer aid to the Republic.

The Minister was also told that the Japanese Government would look into the possibility

of providing some technical assistance, especially for the Seychelles Polytechnic, and would back any aid provided to the Republic by non-governmental bodies.

In several meetings with officials of the very active Seychelles-Japan Association, the friendship body that, with Kawasaki City, organised Mr. Hodoul's trip, the Minister learnt that several new projects were making good progress. An English-Creole dictionary being printed in Japan should be ready by next year when a Seychelles Tourist Board office would probably open in Tokyo. The Association had also organised a training course in Japan for a Seychellois karate instructor who was yet to be selected.

Seychelles' gift of four giant tortoises to Kawasaki on its 60th anniversary was so enthusiastically received by the city's 1.5 million inhabitants that

when the Mayor, Mr. Baburo Ito, announced a children's competition to choose names for the animals, the adults insisted that they be given a chance to compete too.

A large crowd of school-children attended Minister Hodoul's official presentation of the tortoises to Kawasaki's Yumemigasaki Zoo. Seychelles will be notified of the result of the competition around October or November this year.

In Kawasaki City, the Minister also met with leaders of the Japanese Socialist Party.

Mr. Hodoul also visited Japan's northern-most island of Hokkaido where he met the island's governor and government, Socialist Party and union officials in the capital, Sapporo.

"I think this visit will ensure that co-operation ties between Seychelles and Japan continue to develop to the benefit of both sides," Mr. Hodoul concluded.

PRODUCER COOPERATIVES FORMED FOR GLACIS, ANSE ROYALE

Victoria NATION in English 22 Sep 84 pp 1, 2

[Excerpt]

AROUND 25 people of Glacis and Beau Vallon and another 20 of Anse Royale will be given the opportunity to join the growing ranks of workers dedicated to feeding the nation and boosting its exports when new agricultural producer co-operatives open at Glacis and Anse Royale in the near future.

The Glacis co-operative, which will be situated on the former Sorrento Estate, will be primarily a producer of coconuts with other activities being cinnamon cropping, livestock rearing and the planting of bananas, cassava, vegetables and other food crops.

In the 1950s and 60s before the Sorrento Estate was purchased by a foreign company, it produced some 35,000 coconuts a month. Today, with the trees neglected and coconut picking all but abandoned, the yield is a mere 4,000 nuts a month. The estate was also the hub of North Mahé's cinnamon distillation industry but this activity is now non-existent there.

With the owners showing no signs of developing the land, the government decided to acquire the property in accordance with the policy of giving those who wish to work the land but do not have the means to do so, a chance to join the battle to revive the coconut industry, increase exports, and achieve food self-sufficiency.

The Seychelles Agricultural

Development Corporation (SADECO) will soon start clearing the property so as to give the co-operative a good start.

The Anse Royale co-operative, which will be next to the Seychelles Polytechnic, will produce cassava, taro, bananas, vegetables and livestock including hens, pigs and cattle.

With the establishment of the Agricultural Department of the Seychelles Polytechnic at Anse Royale, the new co-operative will demonstrate further the importance government attaches to agriculture.

The co-operative will involve the creation, right at the doorstep of the training institution, of a multi-purpose agricultural undertaking

CSO: 3400/61

DETAILS ON SHEEP-RAISING PROJECT GIVEN

Victoria NATION in English 5 Sep 84 p 1

[Text]

TWENTY-SIX sheep arrived in Port Victoria aboard the Seykor I from Rodrigues yesterday afternoon to be sent by the Islands Development Company (IDC) to one of the outer islands as part of the country's efforts to produce as much of its food as possible.

The arrival of the 20 Black-head Persian ewes, five rams and a lamb born during the four-day voyage follow a fact-finding visit to the Mauritian island of Rodrigues last May by Mr. Perin St. Ange, the Chief Livestock Development Officer in the Ministry of National Development.

On Rodrigues Mr. St. Ange looked at the island's method of sheep rearing and mutton production to obtain information for a similar industry here. Rodrigues is not only self sufficient in mutton, but also supplies Mauritius.

"The new National Development Plan now being drawn up calls for us to look into the possibility of rearing sheep with the aim of producing mutton on a commercial basis," Mr. St. Ange explained yesterday. He added that in tropical conditions such as those of Seychelles sheep could not be reared for their wool.

The flock that arrived yesterday is valued at around R6,000 and is presently in quarantine while IDC and livestock officials choose which outer island has the best conditions for sheep rearing.

Mr. St. Ange said that if the project was successful, sheep could be offered to farmers for rearing later on.

These are not the first sheep on Seychelles as the animals used to be a familiar sight at Cascade in the past.

Last year Seychelles imported nearly 48 tonnes of mutton and goat meat at a cost of over R909,000

SUCCESS OF ANIMAL FEED PROJECT REPORTED

Victoria NATION in English 27 Sep 84 pp 1, 10

[Text]

A TRIAL with a pig feed based on breadfruit has succeeded beyond all expectations, causing much optimism among researchers who are looking into Seychelles' potential for replacing expensive imported animal feed with a locally made diet.

The three-part pilot project was launched by the livestock Development Division of the Ministry of National Development last May to take advantage of the breadfruit season. For three months, 20 saddle-back, large, white and cross bred pigs were reared on the locally manufactured feed which contained dried and powdered breadfruit as its main ingredient. Other local produce such as dried and ground meat and bone meal, poonac, spent grains from brewing,

minerals and vitamins were added to balance the diet. Four tonnes of feed, one tonne more than targeted, were produced.

"The idea itself is nothing new as Seychellois pig breeders have for years been giving their animals breadfruit, fish remains, poonac and so on," explained Mr. Perin Ste. Ange, the Director of the Livestock Development Division at Union Vale. "What we have done is to use these same ingredients, all of which are readily available in Seychelles, to put together a proper, well-balanced diet that provides the pig with everything it needs for a healthy growth and the same things found in the concentrated feeds we have been importing up to now."

Samples of the feed were sent abroad for evaluation and the reports sent back up by the laboratories in Europe and

elsewhere indicated that the project was certainly headed in the right direction. According to the reports, the breadfruit-based diet was very well balanced and contained everything it needed.

Speaking after the pigs had been slaughtered and delivered to FOODPRO to be evaluated as to their processing quality, Mr. Ste. Ange said: "The quality of the meat was exceptionally good. All of us monitoring the trial were very surprised by the result and we are now convinced that we are on the right track to finding a locally made feed of high quality."

Mr. Ste. Ange said that the pigs' rate of growth was comparable to that of animals reared on a imported feeds.

However, the research could not stop here. Other feeds would have to be developed for cattle and chickens.

Looking to the next two stages of the project, Mr. Ste. Ange said that over the next three months more pigs would be reared on a high quality feed imported from Belgium and the results would be compared to those of the first stage in which the breadfruit-based diet was used.

Thirdly, breadfruit would be replaced with cassava as a basic ingredient for a locally-made feed with other local products, such as ground fish meal, being added to balance the diet.

"We are continuing with the project into next year," Mr. Ste. Ange said, "so as to make sure that the animal feed we produce is the best possible at a cost that is at least comparable to, if not cheaper than, what we spend on imports.

Last year Seychelles imported R13.8 million worth of animal feed, nearly 40 per cent more than in 1982. About a quarter of this was for pigs.

"The potential for overall success is obviously there," Mr.

Ste. Ange said. "After they very encouraging results of the first stage, we have reason to believe that by the end of next year we could be producing a lot of high quality animal feed to be able to greatly cut down on the amount of foreign exchange we now spend on imported feed," he added.

Once the pilot project is over, the local animal feed will be produced on a larger commercial scale by the agro-industry division of the Marketing Board for sale to farmers.

The animal feed project is but one of many trials now being carried out in agriculture by the Ministry of National Development with the aim of substituting local products for imports or producing locally certain food that has, up to now, been imported.

Spectacular results in the latter field were achieved recently through very good harvest of onions and potatoes.

CENTRAL BANK SURVEYS INTER-ISLAND SEA TRANSPORT

Victoria NATION in English 18 Sep 84 pp 1, 10

[Text]

AN inter-island shipping agent, a sorting shed for goods shipped to and from other islands and a passenger-only service between Mahé and Praslin are, according to a recent Central Bank survey, some of the plans being studied by the Government with the aim of improving the efficiency of inter-island sea transport in Seychelles.

In a survey of public marine transportation that was recently published in its April-June, 1984, Quarterly Review, the Central Bank concluded that the existing private schooners carrying passengers and cargo between Mahé, Praslin and La Digue were not only sufficient but were not, in some aspects, being used to their full capacity. The statistics seemed to indicate "that even with a doubling of activity the present fleet of vessels will be able to cope adequately".

"Operators are making reasonable profits even though operating only at half capacity," the survey found. Gross profits were, on average, in the region of R150,000 a year, the Central Bank calculated, not taking into account the repayment of loans, depreciation and taxation.

Noting that at least two vessels, the 'Louis Alfred' and the 'Aroha' were 34 years old and had outlived their estimated life, the Bank believed that they might have to be replaced in the near future. Fortunately, it was the Government's policy to give as much assistance as necessary to help operators own their own boats.

The Government's proposed plans for the private sector involved mainly improvements in the efficiency of existing services. Where passengers were concerned, waiting places would be provided at the piers and attention would be paid to the comfort of passengers on boats. Consideration would be given to the provision of a passenger-only service on the Mahé to Praslin route of a comparable standard to the Praslin to La Digue ferries. The pricing structure would be reviewed.

As far as tourists were concerned, there was a need for a vessel to make trips to Praslin and La Digue, carrying clients for all tour operators.

The timing of arrivals and departures would be staggered

with different departure times for each vessel, and the efficiency of the freight service would be improved with the setting up of a shipping agent and a sorting house for goods.

Looking at the special case of the Island Development Company (IDC) which uses its own vessels to carry passengers and goods to and from its outlying islands, the Central Bank noted that the costs of operating the 25-year-old 'Lady Esme' seemed to be considerable, about 36 per cent higher than those for operating the new schooner 'Argo'. The 'Lady Esme' was considered to be risky ship and the IDC was considering buying two replacement vessels as an urgent priority. Like 'Argo' these would be equipped with cold storage facilities.

These vessels would also be used for training young sailors which would minimize running costs.

The Government considers the setting up of an efficient maritime transport network extremely important to a really national development of the country.

The Central Bank survey re-

ferred to past National Development Plans to underscore this. The 1977-81 Plan had, as one of the Government's main aims and objectives, the "economic development of the whole of Seychelles, including the outer islands". The Plan recognised that "the major obstacle to development is transport; overcoming this will require integration, both geographically and sectorally in order to provide the necessary services at a cost which will not prejudice the development of the islands".

The third Plan stressed that a "piecemeal approach to the development of these islands will not suffice, but rather there must be an integrated planning of investment, especially in infrastructure such as water, electricity and transport facilities".

The Seychelles archipelago consists of some 115 individual islands, many of which are located very far from Mahé, the furthest, the Aldabra atoll, being 1,150 kilometres away. The islands form a total area of 453 square kilometres scattered over an ocean area of approximately one million square

kilometres. To every square kilometre of land, therefore, there are over 2,200 square kilometres of ocean.

An average of 113 trips per year are made between Mahé and the other islands. About 720 trips are made between Mahé and Praslin per year and 480 between Mahé and La Digue. The third most active route is between Mahé and Ile aux Vaches with about 36 trips each year transporting supplies for tourists who fly to the island. Coetivy ranks fourth with 24 trips per year. About 69 trips are made annually to other IDC islands.

At present the 'Belle Prasinoise', 'Bellone' and 'Louis Alfred' ply the Praslin route. The 'Pelina' and 'Aroha' do the La Digue route. The 'Silhouette', 'Ideal' and 'Lady Mary' are on the Praslin — La Digue run.

'Lady Esme' and 'Argo' sail between Mahé and the outlying islands of the IDC while other outer islands are occasionally served by schooners on the Mahé — Praslin — La Digue route.

SECURITY GUARD FORCE PLANNED

Victoria NATION in English 7 Sep 84 p 1

[Text]

THE Seychelles Police Force is setting up a special corps that will be responsible for all security guards in the country and for giving a better security service to establishments.

Until now, government ministries and departments, hotels, private businesses and other establishments have recruited their own security guards with no proper controls as to their qualifications and ability to carry out such a responsible job effectively.

Superintendent Michel Antoine explained yesterday that the Police felt that the proficiency of security guards should be improved and that everyone performing security duties should be properly trained to patrol premises, prevent and fight fires, protect valuables such as money whether on the premises or in transit, administer first aid, and question suspects.

"Several criminal offences committed in the past could have been prevented or detected more quickly if security guards had been trained properly", Superintendent Antoine said.

Once the security guards corps had been set up, the Superintendent said, its personnel would also be given some training in the law, especially concerning powers of search and arrest, theft and related offences, wilful damage, arson, assault, bribery and corruption, forgery, trespassing and liquor licensing.

The Police propose to organise the corps into Central, North and South areas on Mahé, with a head office at the Police Headquarters in Victoria.

The organisation will be headed by a Chief Security Guard equivalent in rank to a

Superintendent of Police. Each of the three areas will be headed by a Senior Security Guard equivalent in rank to an Inspector of Police.

The Senior Security Guard will be based at the district headquarters and will be linked to the various establishments in his area either by telephone or radio. He will work in close co-operation with the police district commander.

Superintendent Antoine said that as much as possible, security guards would be used to guard establishments in the area where they lived. However, they would not be stationed permanently at one establishment but would be rotated around other buildings of their area, working in shifts like the police.

"We are sure that this re-organisation will result in a much better security service," the police officer said.

REORGANIZED MILITIA TO START TRAINING

Victoria NATION in English 15 Sep 84 pp 1, 2

[Text]

A FIRST group of civilian men and women from Central Mahé dedicated to the defence of their country start a week of initial basic training on Monday as the re-organisation of the Seychelles People Militia is implemented at the district level.

Mr. James Michel, the Deputy Secretary-General of the Seychelles People's Progressive Front who is also Chief of Staff of the Seychelles People's Defence Forces, said yesterday: "The training will be held every afternoon and for the week that it lasts we have asked employers to cooperate with the Militia in the interest of national security, and to release those workers who need to attend the afternoon sessions."

Once this basic programme was over, training would be done after working hours, Mr. Michel said.

When he announced the re-

organisation earlier this month, Mr. Michel explained that this would share the responsibility for the defence of the Revolution among the very people who were struggling to build the new society daily.

The re-organisation, which will be systematically implemented on a regional basis, is the result of a series of talks the Commander-in-chief of the SPDF, President Albert Rene, held with the militiamen in their districts earlier this year with the aim of making the force even more effective.

The militiamen need time off to do their initial basic training because they are volunteers who work in regular civilian jobs every day.

Those involved in the training that starts on Monday afternoon come from the districts of Anse Etoile, Riviere Anglaise, Mont Buxton, Bel Air and Plaisance.

BRIEFS

SPDF DELEGATION--The Seychelles People's Defence Forces are being represented at celebrations marking the 20th anniversary of the formation of the Tanzanian People's Defence Forces by a three-man delegation which left for Dar-es-Salaam on Thursday. Led by Major Raymond Bonte, the delegation includes Lieutenant Armand Kilindo and Second Lieutenant Robert Ernesta. [Text] [Victoria NATION in English 1 Sep 84 p 2]

SWA DELEGATION TOURS CHINA--The Seychelles People's Progressive Front is to be represented at the 35th anniversary celebrations of the founding of the People's Republic of China on October 1 by Mrs Rita Sinon, the party's Secretary for External Relations and the chairman of the Seychelles Women's Association (SWA). Mrs Sinon is already in China at the head of an SWA delegation that will hold talks with the all China Women's Federation over the next two weeks. The delegation also includes Mrs Andrine Gertrude, a member of the SWA National Committee and Miss Susan Jean, an ordinary member of the association. As well as reviewing SWA-ACWF relations, the leaders of the two organisations will also look into the possibility of increasing co-operation between the women of the two countries. The SWA delegation will also visit women's institutions and economic concerns, paying special attention to the garment industry and other aspects of needlework. The SWA has a workshop at Le Chantier that specialises in making uniforms, and recently launched Island Garments Ltd, a pilot project that is the country's first maker of ready-made clothes on an industrial scale. [Text] [Victoria NATION in English 26 Sep 84 p 1]

CSO: 3400/61

DEREGULATION HITS FOREIGN EXCHANGE OPERATORS

Johannesburg SUNDAY TIMES in English 23 Sep 84 p 31

[Text]

"THE short-term effect of deregulation has been disastrous for companies operating in foreign exchange markets", says Martin Croucamp, GM of Santambank's Corporate Division.

"There is a tremendous lack of expertise in handling the violent fluctuations and the volatile situation that exists today," he adds.

In February and September last year, the government introduced measures to free and internationalise the forex market in SA.

Exchange controls on non-residents were removed, gold proceeds which were previously paid to the mining houses in Rand were made payable in US dollars, and corporations were given the freedom to trade against any known and ascertainable foreign commitment.

The Reserve Bank stopped quoting the R/\$ price on their screens and allowed the market to determine the level of the exchange rate. The Bank now plays a smoothing role in the market by intervening

only when market volatility reaches unacceptable levels.

The forward rand market has not changed too much. The Reserve Bank continues to manipulate the forward premiums and currently encourages offshore borrowing (the difference between borrowing in South Africa and offshore markets in the three-month period is approximately 0.7%). It remains to be seen, when in two years' time the Reserve Bank totally withdraws forex forward quotations, how the market will be affected.

Liquidity

A Nedbank spokesman says that over the past few months the R/\$ market has shrunk and in fact lack of liquidity is a serious problem.

This means that relatively small orders have an inordinately large impact on the exchange rate. Corporations, which shop large amounts around the market actively, can move the rate against themselves. However, certain portfolios have been managed successfully, resulting in enhanced profitability.

"It could be argued that at times the freeing of the market has caused large forex losses to certain companies. This is not altogether true as people tend to forget the time of formal devaluations — for instance, the approximately 17% devaluation of the Rand in 1975 and the recent one-off 20% devaluation of the New Zealand dollar among many others.

"At least in a free market situation a trend tends to emerge. Providing this trend is identified in good time, evasive action can be taken," says Nedbank.

Barclays deputy MD Barry Swart says the volatile market may have "induced panic selling by some of the smaller companies, but larger, more sophisticated groups have had profit opportunities opened up to them. Companies are now also in a position to manage their exposures and to a limited extent are able to speculate in the forex market."

Johannesburg, as a financial centre, has expanded rapidly and virtually any service available in other major centres is available locally.

Not only financial manag-

ers have had to learn, says Nedbank. "Banks have to learn to compete in an international environment and skills have been learnt and bought. Corporate treasurers can gain a lot by keeping close to the major trading operations in Johannesburg.

"Whilst a few trading and fewer economic analysts can really boast a superb record in accurately forecasting the future levels of interest or exchange rates, the view from the market place certainly can help the corporate treasurer in his decision."

Survival

And in an echo from the recent rumpus of banks' foreign exchange advice, the Nedbank spokesman cautions: "The key to survival in volatile financial markets is not necessarily having the right view, but the managerial skills and dealing disciplines to take action timeously if the view taken turns out to be ill-founded."

One thing the larger corporations can do, says Mr Croucamp, is to centralise foreign exchange dealing operations so that positions can be effectively managed.

TRANSFORMATION OF FOREIGN EXCHANGE MARKET UNDERWAY

Johannesburg SUNDAY TIMES in English 23 Sep 84 p 31

[Text] South Africa's foreign exchange market has been completely transformed since the interim report on exchange rates and the monetary system and policy under the then deputy-Governor of the Reserve Bank, Gerhard de Kock, was released in November 1978.

The process is continuing and the foreign exchange markets have not yet developed to the level of sophistication envisaged by the authorities.

In principle, the fixed exchange rate system was to be replaced with a policy aimed at an independent and flexible exchange rate. The rand would be required to find its own level subject to Reserve Bank intervention or management. Exchange control over non-residents was to be abolished and only limited control exercised over residents' funds.

The interim report was accepted by the Government and its recommendations immediately implemented.

The new proposals required the market to develop from its unattractive and crude existence into a sophisticated market that could handle its new role. The process has been slow and painful.

Good progress was made and in February 1983 the Government abolished exchange control over non-residents by abolishing the financial rand.

In September 1983 the authorities announced further arrangements aimed at developing the sophistication of the foreign exchange market, both the spot and forward markets.

The Reserve Bank ceased to quote a spot exchange rate but continued to influence the rand's value by intervention, mainly aimed at smoothing out excessive day-to-day fluctuations. The major determinant of the rand's value was to be supply and demand. But the Reserve Bank is still prepared to quote a market-related exchange rate to government departments.

The South African gold mines would be paid in US dollars instead of rand for gold supplied to the Reserve Bank. The mines are now obliged to sell their dollar receipts within seven days to an authorised foreign exchange dealer.

The Reserve Bank's intervention in the foreign exchange market takes the form of purchases and sales of US dollars. By this operation, the Reserve Bank aims to counteract exchange rate movements which it deems undesirable.

Sweeping changes also affected the forward market.

Authorised dealers can no longer obtain exchange rate cover from the Reserve Bank in the form of forward exchange contracts. They can enter swaps with the Reserve Bank in order to cover their forward positions in the market.

The Reserve Bank still makes available forward cover for periods up to 12 months and still quotes margins for forward cover transactions which now take the form of swaps.

Gold mines have been given permission to sell part of their expected dollar proceeds from the sale of gold in the forward exchange market for a maximum period of 12 months.

The Treasury limited its risk from the provision of forward cover. The Reserve Bank allocated each dealer a quota on the maximum net amount they could buy or sell to the Reserve Bank.

The Reserve Bank, on behalf of the Treasury, continues to grant forward cover for periods longer than 12 months to public authorities and government bodies.

The authorities' intention now is to further improve the technical functioning of the foreign exchange market. This is intended to lead to a further simplification and relaxation of exchange control on residents.

But the economic and political conditions in the country will have to be buoyant before this is done.

CSO: 3400/53

MAIZE IMPORTS CUT TO SAVE FOREIGN EXCHANGE

Johannesburg RAND DAILY MAIL in English 28 Sep 84 p 1

[Article by Mike Jensen]

[Text]

UP TO R400m in foreign exchange could be saved this year because projections of maize imports have been cut by 1-million tons to about 3-million tons.

Initial estimates indicated that South Africa would have to import about 4-million tons of maize this year.

Now, it is understood, an increase in local maize receipts by the Maize Board and a switch to wheat has lopped at least 1-million tons off requirements for foreign maize.

The plunging rand has pushed the landed price of maize to between R240 and R300 a ton and this, combined with more flexibility in the timing of imports, means that the import bill has been revised down from R1bn to R600m.

This could produce a R400m foreign exchange saving and a substantial dent in the expected R632m deficit on the current account balance of payments.

However, the actual amount of forex saving will depend on the amount of forward cover the Maize Board has taken.

Last night, Dr Braam van Staden,

a Deputy Governor of the Reserve Bank, sounded a note of caution on expectations on forex savings.

"At present this cutback in imports is not so crucial. The real crunch will be later, depending on whether we have a good harvest this season," said Dr Van Staden.

"Later in the season one would be able to quantify the forex saving properly," he added.

As a result of the drought, which has caused South Africa to switch from being a major exporter of maize to a net importer, receipts by the Maize Board earlier this year were estimated at 2,7-million tons, against a total demand of about 7-million tons.

But Cyclone Demoina brought heavy rain into the Eastern Transvaal in late January, and a record crop in this area has been produced. Additional rain in areas not affected by Demoina also boosted production.

Furthermore, the drought has caused farmers in other areas to sell off the maize which they normally keep for animal feed.

Under normal circumstances, farmers retain between 700 000 tons and 900 000 tons for their livestock, but it is thought that about half of this amount has been sold to the Maize Board to make up for losses caused by the drought.

As a result, total receipts by the Maize Board are now expected at 3,6-million tons.

Import requirements have also been reduced because requirements for maize as livestock feed have been reduced by the substitution of other feedstocks.

The Wheat Board has begun the importation of 400 000 tons of low-priced wheat — unfit for human consumption — from Australia, and sorghum — which has similar nutritional qualities to maize — is also being increasingly used by farmers.

In addition, a reduction in the consumer demand for maize has been caused by the substantial increase in the maize price and resistance by black consumers — who account for most of the consumption — to the use of yellow maize in the maize-meal mix.

Yellow maize is traditionally regarded as animal feed and unfit for human consumption by the black population.

Maize sales were substantially down on last year, Mr Peter Wrighton, deputy chairman of Premier Milling, said yesterday.

He estimated the drop in the local human consumption of maize at between 300 000 and 400 000 tons — "a drop in offtake of about 10% on the annual human consumption of three to four million tons".

GOVERNMENT PRESSURED TO ENCOURAGE EXPORTS

Johannesburg RAND DAILY MAIL in English 27 Sep 84 p 12

[Article by Mike Jensen]

[Text]

THE Government is to face pressure from the private sector to give greater encouragement to exporters.

Dissatisfied with current policies on export promotion, the Johannesburg Chamber of Commerce is to introduce a motion at the Assocom congress in Pietermaritzburg next month asking the Government to improve its support for exports.

The motion says: "Congress urges Government to give full recognition to the importance of exports in the national programme of development to increase employment and the earning of foreign currency and towards this end:

- To review urgently the existing export promotion programme and facilities available to exporters with a view to making them more effective.
- To review constantly measures to stimulate the development of export-oriented industries.
- To ensure that every possible assistance within the framework of Gatt is extended to exporters.

The chamber's delegates will make a plea during the discussion of this motion for the continuation of the State Export Achievement award which is in danger of being discontinued.

A spokesman for the Chamber says a national export promotion strategy should be launched. "So far there has been a lot of talk about encouraging exports, but very little action."

Furthermore some export incentives have been withdrawn without prior consultation and other incentives are in conflict with the Gatt code.

"We are looking for a new package to fit in with the codes which arose out of the Tokyo Gatt discussions. South Africa is the only country to have refused to become a signatory to the codes."

Robert Greig writes from Cape Town that tax reform is being urged in a Cape Town Chamber of Commerce resolution for the Assocom congress.

The resolution advocates a commission of inquiry into the tax system — one with strong private sector representation.

The commission, should, says the chamber, reappraise and restructure the tax system.

This would serve to promote investment, improve productivity and minimise the adverse effect of taxation on the economy.

The Minister of Finance, Mr Bar-end du Plessis, said recently a committee would investigate South Af-

rica's tax structure.

Another Cape Town resolution criticises the high and accelerating level of Government spending and its negative impact on the scarce resources available to the productive sector of the economy".

It urges the Government to ensure that proper priorities are established in fiscal policy.

• The emphasis in fiscal discipline should fall on current State spending and not only on capital spending.

• The newly established State President's Committee on National Priorities must be made to operate effectively.

The Cape Town and Johannesburg chambers have set up a standing joint committee on tax, made up of specialists from business, the professions and banking.

Its background document supporting the tax proposal has not yet been released.

Another resolution on the Assocom agenda — proposed by the Johannesburg Chamber — calls for the Government to make the Commissioner for Inland Revenue publish departmental rulings and practices.

This would be in the interest of certainty, equity and consistency.

FERROCHROME EXPORTS INCREASE SIGNIFICANTLY

Johannesburg THE SUNDAY STAR in English 30 Sep 84 p 5

[Text]

SOUTH Africa's ferrochrome producers are making dramatic inroads on the world's stainless steel industry.

Dr Jack Kearney, chairman of Samancor, estimates exports world-wide this year at 800 000 tons. These will earn 357-million dollars which goes a fair way towards supplementing the country's flagging foreign exchange reserves.

Reasons for the swing (the past few years have been unusually difficult for the industry) include South Africa's low production costs, the efficiency of the country's producers and the upswing in western economies.

SA reserves of chrome ore (chromite), the raw material for ferrochrome, amount to about 3 000-million tons and represent 75 to 80 percent of western world reserves.

SA chromite production costs are the world's lowest, and at current rates of mining, around 3,5 million tons per year, reserves are sufficient for centuries.

Five major ferrochrome plants have been established in the Transvaal close to the major chrome mines and Witbank coalfield, and one at Krugersdorp:

● Tubatse Ferrochrome - Union Carbide and Gencor,

● Consolidated Metallurgical Industries - JCI,

● Middleburg Steel and Alloys - Barlow Rand,

● Feralloys - Anglovaal and Ore and Metal,

● Ferrometals and Crometals - Samancor.

These plants, incorporating the latest pyrometallurgical development, have an annual combined capacity of over 900 000 tons per year, by far the largest of any country in the world.

Producers world-wide require about 2,5 tons of chromite and one ton of flux, coal and coke per ton of alloy, often transported over thousands of kilometres. Conversely average raw material distances in SA are 160 km, and after conversion only one ton of alloy is carried.

Recovery of chromium in SA is up to 90 percent in certain processes, reducing chromite requirements to under 2 tons per ton of alloy.

In USA and Europe power consumption is typically 4000 kWh per ton compared with as little as 2 800 in SA, through a different energy mix and re-use of furnace gasses.

Electricity costs in SA are one-third of those in Japan and lower than in most parts of the US and Europe.

SA ferrochrome, is taking an increasing share of world markets. Vociferous lobbies in the industrialised west are pressing for protective duties.

Mr Cecil Carrington, deputy chairman of Consolidated Metallurgical Industries argues these are ill-conceived as they simply increase the cost of stainless steel. The duty requested in the US in 1981 was 41- million dollars or 123- million dollars additional cost to be borne by stainless steel over the three years envisaged.

Arguments based on the strategic value of domestic ferrochrome manufacture would not wash either, as chromite would then have to be imported.

There is no chance of SA producers creating a cartel, as ferrochrome is also produced in Zimbabwe, Turkey, Yugoslavia, Greece, India,

Brazil, the Phillipines and Finland, and all have adequate chromite reserves.

SA ferrochrome growth is linked to stainless steel production and development of ferritic steels. These are lower-priced steels with high chrome content and resistance to corrosion.

Mr John Hall, chairman of Middleburg Steel and Alloys sees a great future in ferritic steels, in which his company is a leader in development.

Western stainless steel production increased at 6,3 percent compound from 2,2 million tons in 1960 to 7,5 million in 1979. Growth predictions are 3 to 4 percent, and ferrochrome increases could exceed this, particularly if ferritic steels fulfil their promise, or if stainless scrap shortages persist.

CSO: 3400/53

CURRENT ACCOUNT DEFICIT FIGURE REPORTED

Johannesburg RAND DAILY MAIL in English 26 Sep 84 p 1

[Article by Harold Fridjhon]

[Text]

THE deficit on the current account of the balance of payments appeared to be running at a rate of R1,24bn at the end of August.

Exports for the first eight months of 1984 amounted to R15,85bn and imports totalled R14,33bn. This gave a surplus on the balance of trade of R1,52bn, compared with a surplus of R3,81bn for the same period last year.

Estimating the net outflow on services and transfers at R2,76bn, it would seem that the overall deficit on the current account was R1,24bn. Services payments accounted for shipping, insurance and freight, travel and the payments of dividends both into and out of the country, with the outflow almost double the services charges earned.

In August, the monthly balance of trade moved into a R71,4m deficit after a R464m surplus in July and a R195,3m surplus in August last year. Imports rose to R2,42bn from R1,73bn in July. Exports improved to R2,35bn from R2,20bn.

It is surprising that with the rand still weak the export figures did not show a greater gain because of the belief that in volume terms exports

had made some advance.

On the other hand, part of the increase in the import bill was no doubt the result of the languishing rand, although it would seem that demand for imports is still running at too high a rate. About R400m of the higher import bill stems from imports of classified goods which could be either an additional demand for military purposes or for oil.

It is possible that motor car components from Germany, which had been delayed by the metal-workers' strike, flooded into the country.

While the current account is running at its present deficit, a reduction in interest rates or in the money market shortage cannot be expected. Perhaps August was too early to expect an improvement arising from the current austerity package.

The September figures might give a stronger hint on whether the high interest rates and the tighter hire purchase requirements will damp down demand. Until demand is restrained, a real recovery in the economy cannot be expected.

CSO: 3400/53

ECONOMIST SAYS SUSTAINED ECONOMIC UPSWING REMOTE

Johannesburg SUNDAY TIMES in English 30 Sep 84 p 10

[Article by Kerry Clarke]

[Text]

HOPES of an upturn in the economy within the next year are unlikely to be fulfilled, said Barclays group economist Jan Cloete this week.

Dr Cloete told the Caterers Association conference in Johannesburg that the increase in private consumption expenditure and Government consumption expenditure provided evidence of a mini-boom from the second quarter 1983 to second quarter 1984, but it couldn't be sustained because the current account of the balance of payments was too weak.

"Now the question is, how long will prime have to remain at 25% to really have an impact on inflation? In the US it was necessary to keep interest rates high for about three years following the 1980/82 recession before inflation was overcome.

"Our inflation won't easily respond to a decrease in demand. Employers are forced to give higher wages because employees say they have to cope with a higher cost of living. Em-

ployers then have to push up prices to cover the wage increases.

"Experience shows that this kind of inflation isn't amenable to reduction in total demand very easily. It is necessary to reduce total demand very considerably and keep it low for quite a period before this kind of inflation will give," said Dr Cloete.

"If the authorities are serious about countering the inflation problem — the Minister has said he will try and get it down to 10% next year — then we can't really afford to let the prime overdraft rate fall much before March/April next year.

"If they allow prime to start dropping then the credibility of the policy will be lost," he said.

Dr Cloete said that interest rates could drop by 1% or less if demand for credit dropped and there was increased competition between banks, but the Reserve bank will have to intervene in the market to prevent prime from falling unduly, otherwise the inflation policy would not work.

LABOUR REBELS 'STILL TO EMERGE'

Johannesburg SUNDAY TIMES in English 23 Sep 84 p 2

[Text] The Labour Party--which this week aborted plans to create a fake opposition in the House of Representatives--is still sharply divided with "real" rebels waiting in the wings to seize power.

This week 30 caucus members urged the chopping of the party's chief whip, Mr Willie Dietrich.

And indications are that party leader the Rev Allan Hendrickse will be grilled over several controversial Ministers' Council appointments at the party's National Executive Committee meeting in Beaufort West in the first week of November.

Mr Dietrich is one of Mr Hendrickse's confidants. But his appointment to the influential chief whip's position has annoyed party loyalists and they claimed this week his lack of experience in parliamentary procedure was causing tension among those who sought his guidance.

This week the Labour Party did a "patch-up" job between themselves and a "rebel group," led by the Mr Peter Mopp (MP for Border), whose breakaway was really aimed at ousting the People's Congress Party from the President's Council.

Disgruntled

The day after the patch-up, the "rebel" leader accompanied Mr Hendrickse to lunch with the US Ambassador.

But now the real rebels in the party are poised to wrest power from the hands of Mr Hendrickse's appointees.

These disgruntled LP members maintain Mr Hendrickse has hand-picked his own men--in some cases men with unremarkable political track records--simply because he could depend on their loyalty.

The disgruntled faction apparently has the tacit support of the Transvaal MPs, none of whom has any significant post in the House of Representatives.

Other controversial moves by the party leader include:

--The omission of Mr Jac Rabie from the Ministers' Council of the House of Representatives--something still causing dissension and threatening to widen the loyalty gap within the party.

--The appointment of the Rev Andrew Julies to the portfolio of Minister of the Budget (finance). Mr Julies, an Eastern Cape man, was the centre of a storm when he was appointed national chairman of the party earlier this year.

--The slotting of the Rev Chris April into the Ministry of Health and Welfare. Mr April is a former member of the old President's Council--boycotted by the Labour Party at the time of its formation. He did not contest a seat in the August 22 election.

Mr Hendrickse will be grilled on the issue at the National Executive Committee (NEC) meeting, scheduled for the first weekend in November at Beaufort West. The matter will be taken further at the LP's first post-election annual congress to be held in Kimberley, late in December.

"He will have lots to explain," said a senior LP man.

The two factions emerged dramatically this week when a motion was proposed in the Labour Party caucus to axe Mr Dietrich as chief whip and replace him with Mr J.C. Oosthuizen from Swartland.

A compromise amendment was proposed by another senior LP member to the effect that Mr Dietrich's position should be reviewed by the party leadership before the House of Representatives met again on January 18.

When the motion was put to the vote, 30 caucus members wanted Mr Dietrich removed immediately, while 43 voted for the amendment--an indication of a house with divided loyalties.

CSO: 3400/53

UNIONISTS, EMPLOYERS SLAM NEW LABOUR LAW

Johannesburg THE STAR in English 27 Sep 84 p 6

[Article by Carolyn Dempster]

[Text]

Controversy and haste have characterised the path of the Labour Relations Amendment Act of 1984.

In spite of employers' urging that the legislation be shelved until the National Manpower Commission completes its crucial reports on union registration and collective bargaining, and in spite of strong opposition to the proposed changes from unions and the PFP, the Bill was pushed through Parliament without significant revision in July this year.

As the Act stands, there is a lack of clarity, and several anomalies and the amendments have engendered doubt and suspicion.

STATE CONTROL

SA Institute of Race Relations senior researcher Ms Carole Cooper states that much of the criticism has been levelled because of perceived "increased State control over the collective bargaining process, undermining the fundamental principle of self-governance in labour re-

lations that was the guiding principle of the Wiehahn Commission."

Critics maintain that certain of the amendments will lead to instability and an increase in labour unrest, she adds.

Nonetheless, the Act looks set to remain in force until at least the end of 1985, says Mr M H van Noordwyk, the Department of Manpower's chief director of labour relations.

This has since been confirmed by the deputy Director-General of Manpower, Dr C P Scheepers.

13 GROUPS

However, there are at least 13 large employer organisations and unions who would argue that not a great deal has been achieved by the key amendments to the Act, among them the SA Federated Chamber of Industries, the General Workers' Union, the Premier Group and the Steel and Engineering Industries Federation of South Africa (Seifsa).

Major clauses of contention are:

● That henceforth no agreements between an employer organisation and a trade union will be enforceable in any court (including the Industrial Court) unless both the union and the employer organisation have complied with certain requirements.

● Any unregistered federation must, within three months of the commencement of the Act, submit to the registrar a copy of its constitution, head office address and names of officials and office-bearers.

● The right to hear appeals against decisions of the Industrial Court regarding exemptions from Industrial Council agreements has been vested in the Minister of Manpower again.

His rights now also extend to the interests of employers, employees or the public or national interest.

These three controver-

sial amendments to the Act have important ramifications.

Details of in-house agreements have to be submitted within 90 days of conclusion to the relevant labour inspector.

If union and employer do not comply with the requirements of the Department of Manpower, the agreement will not be legally binding and neither party will be compelled to abide by it.

In addition, those employer organisations who do not supply details of agreements reached with unions to the Department of Manpower will be criminally liable.

Under the new legislation, unregistered unions have been placed in line with registered unions and will have to comply with the same requirements in future.

At least part of the pressure to bring unregistered unions within the structured fold of the La-

bour Relations Act came from established unions.

This was revealed by the Minister, Mr Pietie du Plessis, in Parliament when he said established unions had complained of "having to abide by the regulations when unregistered unions were left to do as they pleased."

LOW WAGES

Finally, points out Ms Cooper in her topical briefing, exemptions from Industrial Council agreements would enable employers in border areas to pay lower wages and would encourage the growth of low-paying small businesses if employers were not bound to minimum wages set down in the national agreements.

It also remains to be seen whether unregistered trade unions will go through the lengthy process of concluding agreements with employers, only to have them invalidated by the State.

NUMBER OF EMPLOYED RISES BY 60,000

Johannesburg THE STAR in English 27 Sep 84 p 6

[Text]

The number of employed people rose by about 60 000 in the two years from April 1981 to April 1983, but the percentage of white employees dropped by about 5 percent, a Department of Manpower occupational survey has found.

The biennial survey was carried out in April 1983 and reflects occupational employment and vacancies excluding Transkei, Venda, Bophuthatswana and Ciskei.

The highest number of vacancies in 1983, at a time when economic conditions here were already at a low ebb, were in the labourer category.

Estimates based on the sample surveys indicate 45 584 vacancies in the labourer field, with vacancies for 10 902 transport workers, 9 865 military staff, 7 709 police and detective services, and 4 508 nurses.

Other occupations featuring high on the vacancy rates list are; general clerk, supervisor/foreman, operators and semi-skilled workers, technicians,

student nurses, fireman, inspector, motor mechanic, drivers and teachers.

The survey calculated that 313 000 or 5,6 percent of the employed labour force in April last year were artisans or apprentices. Of the remaining five million employed persons, about 26,85 percent are white and 58,02 percent members of black population groups.

It said a drop in the vacancy rate for artisans and apprentices in the two years from 1981 to 1983 indicates the influence of an economic recession on employment in these occupations.

It was also striking that in broad occupational terms, the number of professionals, semi-professional and technical employees increased from 482 400 in 1981 to 523 900 in 1983.

The "share" by white employees in this category dropped by four percent with a corresponding rise in black employees. The survey found much the same trend among employees in sales and related occupations.

CSO: 3400/53

LEGAL TRADE UNIONS' 'HONEYMOON' ENDS

Johannesburg SUNDAY TIMES in English 30 Sep 84 p 3

[Article by Amrit Manga]

[Text]

TRADE unionists' honeymoon with the new labour laws is over.

Some are threatening to discard the legal process, the consequences of which could be disastrous for commerce and industry.

Illegal strikes look set to increase sharply. Disillusionment with the legal process has become rife in union ranks following, in particular, police action on legal strikes.

"If workers can secure no advantage from legal strikes there is every possibility they will resort to illegal strike action," says a leading labour lawyer who may not be named for professional reasons.

"Workers have resorted to legal strike action to avoid prosecution, and to seek protection against claims of damages and court interdicts. Recent strike activity has, however, shown that the Labour Relations Act has been unable to provide this protection.

"Unless the Act is geared to encourage legal strikes by guaranteeing protection, the future for industrial relations looks ominous," he adds.

The major reason for this abrupt change in attitude was the authorities' reaction to the "legal" strike by the National Union of Mineworkers a fortnight ago.

Wildcat

General Secretary Cyril Ramaphosa says: "Workers no longer feel committed to legal dispute regulating avenues and there is no guarantee that they will not in future opt for wildcat strikes instead.

"Having examined the Labour Relations Act it is clear that it neutralises the workers' most effective weapon — the surprise element of a strike.

"Our experience during the recent wage dispute proves that co-operating with the State by following procedures laid down in its labour laws does not serve our purpose," says Ramaphosa.

High on the agenda of the NUM annual congress in December this year is a review of the legal dispute-settling procedures.

The widespread dissatisfaction with existing industrial relations legislation does not end with the mineworkers.

Rulings

The National Union of Textile Workers recently charged that Industrial Court rulings have provided little protection for dismissed workers.

"There is growing dissatisfaction in union circles with the Industrial Court," the NUTW says.

"Recent judgments have shown that the court will not consider reinstating strikers even if they were provoked by an unfair labour practice.

"This clearly alters the balance of power in favour of employers and gives workers little choice but to continue their strike action," it adds.

Union sources say that the only alternative open to workers in cases like this is a lengthy strike. The Industrial Court has failed to provide equal and fair rights for both employers and unions. This will prevent it from becoming an important means of peacefully settling labour disputes, the union adds.

In another dispute over the dismissal of five workers, a "legal" strike by 2 000 members of the Metal and Allied Workers Union has been declared illegal in terms of a temporary interdict granted by the Natal Supreme Court.

The interdict was granted although the union had followed all the procedures laid down in the Labour Relations Act.

"This included applying for a conciliation board, allowing a 30-day grace period and conducting a strike ballot before opting for a legal strike," says Geoff Schreiner,

a Metal and Allied Workers Union official.

But the company involved, Dunlop, says a multiplicity of factors influenced the strike decision and that the reinstatement of the five workers was not the only motive.

Peace

Dr Piet van der Merwe, Director of the Department of Manpower, says the controversial Act is geared to ensuring industrial peace. But if aspects of the Act present problems, these will be examined and reviewed if necessary.

Andre Malherbe, labour relations adviser to the Johannesburg Chamber of Commerce, says that it is grossly unfair to legally compel companies to retain striking workers.

While he agrees that lawfully striking workers should be afforded some degree of protection, "the right to dismiss workers cannot be denied to management".

"However, the Act should make provision for a notice of dismissal rather than allowing summary termination of the employment contract," says Mr Malherbe.

CSO: 3400/53

FORD DISCOUNTS PULLOUT RUMORS

Johannesburg RAND DAILY MAIL in English 27 Sep 84 p 13

[Text]

PORT ELIZABETH. — Ford's managing director, Mr Brian Pitt, has killed rumours that the motor manufacturer may pull out of South Africa.

Reacting to speculation following the announcement of talks between Ford and Amcar Motor Holdings, formerly Sigma, he said: "The one thing I want to say emphatically is that Ford will not be leaving South Africa."

However, he refused to say how the negotiations with Pretoria-based Amcar would affect production at Ford's Port Elizabeth factory.

He said this would depend on the outcome of studies being conducted in conjunction with Amcar. Until they were completed, he was not prepared to comment on speculation.

A brief statement this week said Amcar and Ford were "exploring matters of mutual interest". It added that, "co-ordination of plans for complying with South Africa's local

content regulations appears to provide an opportunity to achieve greater economies of scale".

The statement followed repeated denials last week by Ford that it was having talks with Amcar on rationalisation.

Mr Pitt declined to confirm or deny newspaper reports that the study involved a possible Ford takeover of Amcar, with Escort production going to Pretoria in return for Amcar's commercial vehicle production.

It is believed Amcar is desperately looking for ways to use the spare capacity at its Silverton plant in Pretoria.

Industry sources have suggested that because of the similarity between Amcar's Mazda and the Ford Escort outside South Africa, it makes sense to combine the two into a single model to achieve the economy of scale needed to make the plant profitable.

This could entail a swop, with Escort production going to Silverton and Amcar's commercial vehicle production moving to Ford in Port Elizabeth, where Amcar already has a modest establishment

producing medium and heavy commercial vehicles.

The sources are confident that production of the Sierra or the Granada will not be affected if agreement between the two companies is reached.

Local officials in Port Elizabeth yesterday reacted with alarm to the prospect of Ford moving some of its production from the area.

The town clerk, Mr P K Botha, said the city council would do all it could to prevent Ford discontinuing any of its local operations.

He said: "The Government will have to take notice of the situation immediately because of the possible effect it may have on unemployment in an area which already has the highest level in the country."

● In Johannesburg, Amcar's group managing director, Mr Spenser Sterling said this week the talks centred on local content regulations.

He said: "The real economies are at the manufacturing end of the business. If there can be any real reduction of cost, that is where it will be."

CSO: 3400/53

GOVERNMENT MONETARY, FISCAL MEASURES SCORED

Johannesburg THE SUNDAY STAR FINANCE in English 30 Sep 84 p 3

[Article by John Popper: "The Year of Bad Decisions"]

[Text]

THE Government's recent monetary and fiscal measures could nudge the South African economy from its present slump into a major depression.

This is the hard-hitting forecast of Natie Kirsh, head of the vast Kirsh empire, who, in an in-depth discussion with The Sunday Star Finance, stressed that harmony between Government and business is a prerequisite to maximising economic potential.

Mr Kirsh firmly believes that while the short-term objectives of Government and individual businesses may not always match, in the longer term what is good for the country is good for both.

He says that recent events indicate that insufficient thought has been given to the practical consequences that flow from some of the decisions taken in the current year — decisions that have been highly disruptive to certain sections of the business community.

"These decisions," he contends, "could have been implemented in a different and a less-harmful way."

Early in 1984 the country faced two major problems — the rate of inflation and the deteriorating balance of payments position.

According to Mr Kirsh: "Given the necessity for Government action, one would have thought that whatever plan was evolved would be well thought out. Subsequent events indicated that this wasn't the case.

"The increase in GST to 7 percent early in 1984 and continuing high interest rates reduced consumer spending significantly.

"In the Budget the LIFO method of stock evaluation was done away with. This unexpected measure impacted seriously on business cash flows.

"In many instances it ate into normal working capital, where commitments had been made to capital expenditure in the anticipation of LIFO cash flow. If the change had to be made, some reasonable notice should have been given."

In addition, the restructuring and reduction of investment allowances inhibits capital expenditure and is "a short-sighted policy which will have long-term negative connotations for large-scale industry in particular".

Mr Kirsh feels that the latter two measures impacted on previously committed plans and "there is nothing that demoralises a business-

man more than uncertainty and inability to depend upon previous tax norms".

The outcry that followed the increase in GST led to much political and social pressure to reduce tax on basic foods, suggesting that the Government should have thought this step through before it was applied.

"In the event, Government decided to differentiate between tax-free and taxable items. It should have advised the public that it intended to reduce GST on basic items, thereby allowing the trade time to modify their GST collection system. Only thereafter should the increased sales tax on remaining items have been made known.

"Instead, two months' notice of the intention to increase GST on all items other than basic foodstuffs was given.

"The psychology and timing induced a gigantic consumer spending spree, reversing the previous trend.

"After the horse had bolted the door was slammed and locked, with the consumer durable credit industry having to carry the brunt of the burden."

Mr Kirsh is also critical of the recent new hire purchase measures which gave little thought to the chaos that

would result from differentiating deposits and payment periods for various categories of goods.

He says: "The increased cost of administration in the preparation and running of three hire purchase agreements with three different deposits and three different repayment periods poses huge problems."

Turning to the painful issue of the new higher interest rates, Mr Kirsh considers that these contain little comfort for either the consumer or the trade.

"That part of the buying spree that was financed at fixed interest rates — at a time when the gap between Ladofca and prime borrowing rates was at an artificially low margin — leaves the trade with a negative return, while those unfortunate consumers who purchased on bank credit cards with no fixed ceiling now face a huge and unbudgeted-for additional interest burden."

He finds it deplorable that people who are normally prudent in the management of their financial affairs are now in dire straits as a result of high interest payments on credit promoted by the banks via their credit cards and on home mortgages which, unlike the public services, are in

most instances not subsidised by employers.

Mr Kirsh comments that firms in the furniture, appliance and motor industries (and all allied spheres of activity) are going to have to be very smart indeed to show a profit in the current year.

He adds: "The balance of payments may be rectified three or six months earlier than otherwise — but at a terrible cost in unemployment.

"It is extremely difficult to restart activity once it has ground to a halt and many businesses that have taken years to build up will go to the wall. A lot of people are going to get hurt.

"In short, we are in bad shape and we will be in worse shape if we have another bad agricultural year.

"What we require is an active Government policy with clearly defined goals rather than a reactive policy that is well on the way to an overkill.

"The extremely high interest rate needs to be lowered as no further dampeners need to be placed on the economy, which is already reeling. Some effort must be made to restore harmony between state policy and that section of commerce and industry which appears to have taken the brunt of recent reactive decisions."

WATER FLOW HITS WESTERN AREAS GOLD MINE

Johannesburg SUNDAY TIMES in English 23 Sep 84 p 13

[Article by Roy Bennetts]

[Text] Vast quantities of dolomite water flowing into JCI's Western Areas gold mine has caused the higher grade ore at North Shaft, one of its richest areas, to be abandoned.

Already substantial costs have been incurred in attempts to control the flow without any particular success. This cost factor is likely to increase due to a continued rise of the water level.

A number of potential solutions are being examined in detail in an endeavour to alleviate this problem. If none of these prove successful then the remaining solution would be the dewatering of the Gembokfontein section of the mine lease area.

An application for permission to drain this section has been made to the Department of Environment Affairs.

Sinkholes

The act of dewatering a dolomite deposit can lead to sinkholes, adding to management's problems. This particular area has historically had a bad sinkhole disaster record.

A solution to the flooding problem would result in a significant extension to the life of the mine, an increase in employment and higher foreign exchange earnings.

Due to a policy of selling its gold forward during a period when prices were higher, Western Areas received a creditable average price of R16 721 a kilogram for its gold production in the six months to 30 June 1984.

Stablemate Randfontein, for example, which did not engage in forward selling, received an average gold price of R15 025 a kilogram.

Western Areas' price in the six months is R1 926 a kilogram higher than what it received on average in its previous financial year--backing the industry's downward trend.

Higher

The grade of gold produced remained the same at 4,8 g/t. Ore milled in the first six months of this year appears to be marginally below that of 1983. If milling continues at the current rate, the mine will process 3 752 000 tons this year compared with 3 776 000 in 1983.

Uranium production appears to be higher, with 157 tons being produced in the first half for a possible total of 314 tons, against a total of 282,5 tons in 1983. Yields remain the same at 0,46 kg/t.

Sinking of the No 3 Sub-Vertical Shaft has been completed and should be commissioned towards the end of the year.

Profit before tax stood at R41,9-million for the first six months of the year, compared with R65,7-million for the twelve months of 1983.

Randfontein Estates gold mine is at present gaining a slightly better grade of gold at 5,3 g/t, compared with 5,0 g/t for 1983. The price received for gold is at present lower at R15 025/kg, down by R275/kg from 1983 while the milling rate would appear to be slightly up on the previous figure of 5 928 000 tons. Grades from the new Doornkop section are expected to be similar at 5 g/t.

The Doornkop ventilation shaft has reached a depth below 265 meters, and preparations are in progress for the presink of the No 1 Shaft.

Uranium production at Randfontein would appear to be up with 588 tons being produced by the year end if the present rate is maintained. A yield of 0,17 kg/t at present is an improvement on the figure of 0,15 kg/t for 1983.

New Mine

At a press conference held in Johannesburg this week, the chairman of JCI, Gordon Waddell, announced the likelihood of a new gold mine to be established some 17 kilometers south of Virginia and adjoining the eastern boundary of the Beatrix Gold Mine. In the last two years a syndicate in which Anglo American Corporation has a 10% interest with the balance held equally by Johnnies and Randfontein, has conducted an intensive drilling programme.

On the basis of results to date, it would seem likely that a mine will be established at a relatively shallow depth with a life of 20 years.

CSO: 3400/53

RICHARDS BAY COAL EXPORT BIND FOR TOTAL REPORTED

Johannesburg RAND DAILY MAIL in English 25 Sep 84 p 11

[Article by Berenice Margolis]

[Text]

TOTAL is being forced to sell part of its 2,5-million-ton coal export quota on the domestic market at reduced prices because of insufficient capacity at Richards Bay, says the managing director, Mr Bernard Lafitte.

"Insufficient capacity at Richards Bay is preventing us from exporting our full allocation. This has delayed our whole development programme, but we are trying to negotiate with exporters for spare capacity."

Selling coal on the domestic market, says Mr Lafitte, means a difference of \$10 to \$12 a ton which, with the depreciating rand, means coal is selling at half the price it would overseas.

"I don't know if we'll be compensated as the Government is reluctant to increase the price of petroleum products."

While petroleum products remain Total's main sphere of ac-

tivity — the decision to diversify into coal was taken in 1975 — there is also some diversification into solar energy and into rubber and metal components for the motor industry and the railways.

In the agricultural sector, the supply of fuel, namely to overhead tanks, accounts for more than one third of sales.

With the oil glut, says Mr Lafitte, energy consumption is unlikely to increase at its past rate.

"We cannot expect to expand in this field and, because of Sasol, the possibilities for refining crude oil are restricted.

"To expand in South Africa you have to look for something else, hence diversification, but we wanted to remain in our field of expertise which is energy and that's why we have gone into car components."

The oil business was stagnant last year, he says, but the market has begun to grow again this year — at about 10% in the first six to seven months.

"This was unexpected. It's been

a surprise to the oil industry. We'd budgeted for less."

The main reason has been the sustained and substantial growth of the homelands and black townships. Blacks, he says, are buying more and more cars as a result of their greater purchasing power and this has led to a steady increase in petrol consumption.

Contributory factors to increased petrol consumption are the relaxation of the speed limit and the fact that petrol stations are selling petrol after hours.

He says the oil industry must become more productive. Acting in concert, oil companies have already rationalised depots and transport and in some areas are using joint facilities for delivery to overcome logistics problems.

South Africa, says Mr Lafitte, accounts for about 3% of company profits worldwide. But Total SA maintains reasonable financial results against most European countries and is the most diversified subsidiary in the group outside France.

MINERAL EXPORTS' OUTLOOK BRIGHTER

Johannesburg SUNDAY TIMES in English 30 Sep 84 p 10

[Article by Roy Bennetts]

[Text]

OPTIMISM for 1985 appears to be the theme of the Minerals Bureau's publication "South Africa's Mineral Exports — an outlook for 1984 and 1985".

It is assumed in the report that both the US dollar and interest rates will show a modest decline during the course of 1985, and that the rate of economic revival in the USA will moderate. Inflation in South Africa will be marginal, with no significant escalation.

On the basis of these assumptions, an average gold price of \$364 an ounce at an exchange rate of \$0,70/R equating to R16 718 a kilogram is predicted for 1984. The forecast being that there will be a small increase in the average price to \$370 an ounce, at an exchange rate of \$0,65/R. This will produce a rand price of R18 300 a kilogram.

Gold is predicted to decline to 73% of the overall mineral exports in 1984, from the 74,1% of 1983. Non-gold

exports are expected to increase in value by 18,9% to just over R4 000-million. Total exports should grow by some 14% to R15 700-million, with overall mineral sales rising to R18 500-million. These all represent record earnings in current rand terms.

Export earnings from gold should increase by just over 10% to R12 627-million in 1985, with diamonds and silver slightly improved to a total export figure of R683,5-million.

Indications are that coal will be one of the star performers of 1984, with exports mass rising to 35-million tons and earnings by nearly 37% to R1 575-million. Exports of 38-million tons are expected for 1985, with earnings approaching R2 000-million.

Non-gold exports in 1985 should increase in value by 20,9% to R5 100-million and total exports, including gold, by 13,1% to R17 700-million. Earnings from local as well as export sales could very well reach the R21 000-million level.

CSO: 3400/53

TRANSKEI FUEL DEPOT TAKEOVER EXAMINED

Johannesburg SUNDAY TIMES in English 30 Sep 84 p 5

[Special report by Stephan Terblanche: "Petrol Grab Could Sink Transkei"]

[Text]

TRANSKEI could find itself without fuel if a takeover bid for the country's only two fuel depots succeeds.

This would bring commerce and industry in the territory virtually to a standstill.

This blunt warning has been given by South African oil companies to a Transkei Minister in Cape Town.

It follows an attempt by a Transkeian company — of which President Kaizer Matanzima and his brother, Prime Minister George Matanzima, were originally intended to be shareholders — to grab the two fuel depots with an annual turnover of about R40 million.

Letter

In a letter couched in peremptory terms, the present owners of the fuel depots, the Transkei Development Corporation (TDC), were told by the Minister of Commerce, Industry and Tourism, Mr Ramsey Madikizela:

"This is to instruct you that the Transkei fuel depots situated in Umtata and Butterworth be turned over to the company now being formed for the purpose by the undermentioned persons, as directed by the Honourable Prime Minister on 26.7.84.

1. Honourable Paramount Chief B Mtirara
2. Honourable Chief G Matanzima
3. Honourable Paramount Chief K D Matanzima
4. Mr L M Ntshongwana.

The takeover must take place with immediate effect."

The South African oil companies, who deliver fuel to the depots, were alarmed and took a united stand.

After word of the takeover bid leaked out, a new company, Trans-Versal Industries, was formed in the Transkei.

The Matanzima brothers denied involvement and only two directors were listed: Mr Liston Ntshongwana, reportedly a nephew of the Matanzimas, and an American, Mr Clarence Lindsay.

This week the oil companies bluntly told Minister Madikizela that they would not do business with Trans-Versal. This would mean a total ban on oil supplies to the country.

The implications for the struggling Transkei economy — already viewed with suspicion by would-be investors after recent government actions — could be disastrous.

An oil company representative said: "We view Trans-Versal as being merely a front for certain government officials who want the fuel depots for their own personal gain.

"We are not interested in doing business with it. We have a 10-year contract with the TDC and nobody in Transkei can touch a drop of our fuel. If they do, the industry will take action."

That would mean that no more fuel would be supplied.

In Umtata observers believe that last week's sacking by the government of the top management of the TDC, who stood in the way of Trans-Versal's takeover bid, was a direct result of the fuel wrangle.

The dispute between TDC and Trans-Versal is due to go to the Umtata Supreme Court again next month. The TDC has already obtained a court order stopping the takeover.

Concern

Other recent events in the Transkei have caused concern among officials and industrialists. They include:

- The appointment of a commission of inquiry into the TDC, a move which one commissioner described as "nothing but a ploy by certain individuals to gain control of the TDC".

- An attempt by Trans-Versal to take over Ohlsson's Cape Breweries in Butterworth which belongs to SA Breweries.

- The sacking of TDC managing director Mr Sonny Tarr and 12 members of his management team.

Takeover Bids Hit R27m Plan

RECENT events in Transkei involving takeover bids of private companies and the sacking of the top management of the Transkei Development Corporation may jeopardise a R27-million investment by Sappi Novobord, a member company of the giant Sappi group.

Officials and businessmen in Umtata also fear that another multi-million rand project by a huge Taiwanese household appliances company could be wrecked by the takeover controversy.

The giant South African Breweries is still watching developments after seeking legal advice to prevent the takeover of its Butterworth brewery by a local company headed by a Transkeian and an American.

A senior official connected to the TDC said this week that the Sappi partical board plant had been "put on ice for six months because of all that is happening here".

The plant was to have been a joint venture by Sappi and the TDC.

Elite Are in Full Control

AN elite group of high-ranking government officials and Ministers in Transkei control many of the profitable businesses in the territory.

In recent takeover bids of a South African brewery and two fuel depots by a Transkeian company, Trans-Ver-sal Industries, the involvement by government officials, including the President, Paramount Chief Kaizer Matanzima, and the Prime Minister, Chief George Matanzima, is apparent from an official letter which was handed to the Sunday Times.

Relatives

A check through company records in Umtata revealed that many companies listed among their directors, and in some cases as sole owners, one or more Ministers or senior officials in the government.

Umtata businessmen claim that many more companies are indirectly controlled by Cabinet Ministers who appoint relatives as directors.

In a recent interview President Matanzima denied that he owned more than one company. He would not name it.

However, deeds office records indicate that he owns at least two companies and is a director of another.

President Matanzima owns a filling station, Myezo Motors, and a restaurant at the entrance to the University of Transkei (Unitra), of which he is chancellor.

Official Unitra vehicles are frequently seen to be filling up at Myezo Motors.

He also owns Myezo Properties which, according to records, has a licence to operate as owner of immovable property.

A number of independent sources as well as employees of Transkei Toyota, a service station in central Umtata, named President Matanzima as a director of the company. Documents which originate from the Transkei Development Corporation (TDC) suggest that Mr Matanzima virtually controls the company.

Two employees of the company claimed that the garage had a contract to supply petrol to government and police vehicles.

Two Cabinet Members, the Minister of Transport, Mr A Jonas, and the Minister of Finance, Mr Sydney Quaba, are among the directors of a sorghum brewery.

STROMBERG INDUSTRIAL BREAKS INTO ELECTRONICS INDUSTRY

Johannesburg SUNDAY TIMES in English 30 Sep 84 p 15

[Article by Don Robertson]

[Text]

THE Finnish-based multinational group, Stromberg Industrial, has broken into the South African power electronics industry to challenge the likes of Siemens, GEC and Asea.

The local operation, established last month, represents part of an international expansion drive by the group aimed at increasing its export contribution.

Although starting off on a small scale locally, the eventual expenditure in setting up the South African arm will be considerable.

Guy Sutton, managing director of the local company, believes that Stromberg has particular product strengths, which, coupled with its high level of technical expertise, "will enable it to meet

customer requirements which are not being adequately serviced by existing multinationals".

Stromberg, part of the R1 300-million, Kymmene-Stromberg group, boosted export sales to 30% of total turnover in the past year, but believes it has potential for further growth in the years ahead.

Mr Sutton points out that multinational companies in the Common Market boast export sales of between 45% and 70% of turnover, especially those in the electrical equipment manufacturing industries.

Stromberg has defined its target export markets as being the Western, developed and stable countries with reasonably mature economies. South Africa has been identified as a potential export market meeting these requirements and, in addition, as showing unusually high growth potential in the electrical sector.

Market

The group currently operates subsidiaries in Sweden, Norway, Britain, America and Singapore. It also has sales offices and representatives in most other industrialised countries. It already has equipment installed in South Africa, mainly in the paper and process industries.

The market in which Stromberg hopes to participate is worth about R200-million, or about 6% to 8% of the total electrical plant and equipment market and includes control devices, switchgears, electrical motors, fuse switches, traction drives and electronic relays.

The company's initial move into the market will be based on the importation of high and low technology products.

Describing his company's entry to the market through the importation of products, Mr Sutton says that items, such as variable speed drives and microprocessor protection relays, are undergoing

continuous development to enhance performance characteristics and reduce costs. Local manufacturers often become locked into technologies until long after they have passed their life-cycle, because they need sufficient sales to justify investments in manufacturing.

The low voltage market, says Mr Sutton, is fragmented due to overtrading by too many suppliers. Many of these products are made locally by companies which have sunk considerable sums into manufacturing, while overseas production is based on automation and large volumes. While domestic companies deserve support, this is only possible if the difference between local prices and world prices does not become too large.

Stromberg's policy locally will not be to obtain short term growth at all costs, but rather to build a medium to long term expansion pattern from a firmer base. For this reason, it will aim for about 1% of the market each year for the first five years.

DROUGHT-HIT FARMERS TO PLANT SURVIVAL CROPS

Johannesburg SUNDAY TIMES in English 23 Sep 84 p 1

[Article by Barry Sergeant]

[Text]

FARMERS are gearing up for what is set to be the most different planting season ever.

After three successive years of drought plantings, farmers, particularly in the dryland cropping areas, will have to be more resourceful than ever before. Farming experts say one of the survival techniques to be used is a switch to crops which can better survive drought.

Hennie Bezuidenhout, manager of the SA Agricultural Union's Agronomic Commodity Services, says substantially less maize will be planted than last year.

Mr Bezuidenhout says that based on seed sales, grain sorghum plantings are set to rise from last season's 288 000 hectares to 1-million hectares — some 250% higher.

The latest season produced 508 000 tons of grain sorghum compared with the previous 198 000 tons. With normal rains this season's grain sor-

ghum plantings could produce 1,8-million tons against demand of 1-million tons.

Increased plantings of sunflower in malzelands are also expected.

Wheat plantings in the Western central districts increased by 40% this winter compared with the same time last year. Mr Bezuidenhout says farmers were forced to resort to wheat after the maize crop failed in an attempt to generate cash.

Wheat is the major winter cereal and its already relatively high price is set to be increased in the next month or so.

Mr Bezuidenhout says farmers could cut back on fertilisers, as it is now generally accepted that farmers have been using too much, especially nitrogen-based fertilisers.

Crops like grain sorghum and soya beans need less fertiliser than other crops. Soya beans replenish the soil they grow in through their root system.

FARMING INDUSTRY DIFFICULTIES REPORTED

Johannesburg SUNDAY TIMES in English 30 Sep 84 p 30

[Article by Barry Sergeant]

[Text]

INEFFICIENT farmers, once the most protected species in SA, are being abandoned.

The once-fatherly SA Agricultural Union is set to cut its ties with many of its 60 000 wards. Farmers will in future be subject to the same economic forces as small businessmen — and thousands may bite the dust.

These are the major conclusions of the most comprehensive financial survey yet conducted by the SAAU, a study forced on it by the third successive year of drought. Final findings are expected to be formally released in mid-October.

There is consensus among agricultural leaders that the sector will have to adapt to free market conditions. Farm leaders hope to see change in supply patterns, lower prices and inefficient farmers being replaced.

Johan Willems, SA Agricultural Union (SAAU) chief economist, says: "In line with the Government's White Paper earlier this year, agriculturalists are realising that farming is not a God-given right."

Bankruptcy

"Farmers will have to be treated like any other small businessman. If a farmer cannot produce profits, he

will have to face bankruptcy and leave the land. The one and only exception to this would be where the farmer has suffered a climatic calamity, which even the best manager cannot hedge against."

"The time has come to realise that farmers run a management and investment risk like any other entrepreneur. Seen macro-economically, there is no reason why the weaker farmers should not be replaced by new farmers entering the industry."

Amazing statistics concerning farmers' debt position have also been exposed for the first time. The survey concludes that 47% of farmers have liabilities that comprise just 10% or even less of their assets.

This is in stark contrast to the picture painted by the agricultural lobby. It was thought that agriculture was debt-ridden and on the edge of total bankruptcy after three years of drought. But although the liability/asset relationship is extremely healthy, most farmers do have cash-flow problems.

Interest

Some of the reasons for the financial soundness of nearly half of SA's farmers are:

● The average interest paid on debt. Mr Willems has calculated that the average interest rate paid on agriculture's estimated R10 000-

million debt is 15%, well below the prime bank rate of 25%. The 15% is a weighted average and includes short-term and consolidated long-term debt.

● The role of SA's 320 co-operatives in self-help during the drought years. The co-ops created large reserve funds in the good years and used the cash during the drought to help farmers' cash-flow. The standard method among co-ops is to average out a farmers' crop for two or three years prior to crop failures and pay the farmer for a crop failure as if it had been harvested. The amount paid out by the co-ops on this basis over the past three years runs into hundreds of millions of rand.

● Survival methods used by successful farmers during the drought years. SA's tax system encourages farmers to spend in good years, as the cost of capital spending (a wide category) is deductible against income.

Replaced

These tax laws meant that after a series of good years, a farm unit would have replaced capital goods at a faster rate than normal and would be well placed to stand up to several years of drought by maintenance and repair instead of replacement.

What is worrying farm leaders now is the future of

inefficient farmers who are kept on the land by Government help. According to the SAAU's survey, 16% of SA's farmers have liabilities that represent 40% or more of their assets, and 18% have percentages of 10% to 20%.

Farming leaders realised a decade ago that matters were going astray in the agricultural sector. It is now generally thought that the drought was the straw that broke the camel's back; the cherry on the farm reformation cake.

Apart from inefficient farmers, the main areas of concern are the dual questions of supply and price. It is increasingly accepted that the Marketing Act, the umbrella for most of SA's 22 marketing Control Boards, is no longer the Magna Carta it was hailed as in 1937.

SA has surpluses and shortages of produce; rarely does a crop ever meet domestic

demand levels. Consumers see a credibility gap in the farm sector, as prices rise annually regardless of shortages or surpluses.

Now the SAAU expects more pertinent questions to be aimed at the farming sector. After institution of the new constitutional dispensation on September 3, it expects highly critical questions on the R800-million (about half will eventually be recovered as loans) spent on agriculture in the 1984-85 fiscal year.

The reality of Government budget cut-backs will compound the question when debates open in the new tricameral Parliament.

SA is one of only seven net exporters of food in the world, having achieved self-sufficiency for its own needs for most produce. The blunt question expected from liberal politicians is justification of the hundreds of mil-

lions of rands handed out to a sector which according to micro-economic surveys is supporting many inefficient producers.

On the supply and price question, the political reality is that if the White Paper is implemented, it will be a matter of the market deciding what the farmer grows. This is diametrically opposed to the present situation where the farmer decides what he will grow (and any farmer will admit he prefers this), knowing there is a guaranteed price when the crop is harvested.

Prices, farm leaders say, will become more politicised, particularly for the staple foods such as maize meal and bread. The consumer will demand the most food for the lowest price. If it is generally perceived that the market is giving the consumer the best price, the resistance to prices may diminish.

Vital Figures on SA's Biggest Industry

FARMING, as in any Western nation (including the US), is SA's biggest industry. Here are some vital statistics.

Until this third year of successive drought, SA had been the continent's farming jewel. It is still one of only seven net exporters of food in the world.

Agriculture is SA's biggest employer, its least subsidised sector, and the biggest subsidiser of the manufacturing industry. Farming's only subsidy is for interest rates; but most farm produce is given guaranteed prices — the main exceptions being fresh fruit and vegetables and the large export crops.

Exports

South Africans spend a third of every disposable income rand on food, beverages and tobacco. In 1982, agriculture accounted for a tenth of all exports, while its bill for imports was only 1% of all imports.

From the Western Cape's vineyards to the Maize Triangle's maize, from the Karoo's sheep to the Natal lowlands' sugar, the industry is the platteland's backbone, which accounts for 40% of retail sales and supports at least half the total population.

A third of all manufacturing inputs and labour depend entirely on agriculture. SA farm policy fits somewhere in between the world's rich and poor coun-

tries.

The rich countries, where obesity is one of the main problems, produce farm surpluses because of too-high incentives. In the poor countries not enough food is produced because governments depress farm prices. The poverty trap means subsistence farming and the starvation problem.

SA's biggest industry is the most efficient on a continent which can produce 100 times more food than it does now. Fertiliser, tractor, irrigation, herbicide and pesticide industries depend on it.

Farming needs to be monitored because of its strategic importance, huge size, all-pervading presence and its vulnerability to the manufacturing sector.

RSA-UK RELATIONS 'WORSE THAN DELICATE'

Johannesburg RAND DAILY MAIL in English 26 Sep 84 p 10

[Article by Patrick Laurence]

[Text]

THE current row between South Africa and Britain was yesterday labelled as "extremely serious" by diplomatic observers in Pretoria.

The Minister of Foreign Affairs, Mr Pik Botha, had earlier described SA-British relations as being "much worse than delicate".

These separate but partly overlapping appraisals came after the latest move in the conflict between the two countries over the plight of the six men taking refuge in the Durban Consulate.

The move was Pretoria's decision not to fulfil a pledge to return four South African nationals to Britain to stand trial for allegedly contravening Britain's arms embargo.

The decision was prompted by Britain's refusal to respond to South African demands to either deliver the six to the South African authorities or allow the South African Po-

lice to enter the consulate and arrest them.

But is the present impasse more serious than previous low points in what Professor James Barber of the University of Durham has called the "uneasy relationship" between the two countries?

Differing policies springing from diverging world views and interests have introduced severe strains into the relationship from time to time.

Recent troughs in the fluctuating relationship include:

- A near confrontation during the 1982 Falklands War, when Britain suspected SA of supplying arms — particularly the Exocet missile — to Argentina.

The conflict was largely resolved when the Minister of Defence, General Magnus Malan, gave a formal assurance that SA was not selling missiles or aircraft parts to the Argentines.

- The expulsion from Britain of a South African diplo-

mat, Warrant Officer Joseph Klue, for engaging in "activities incompatible with his official status".

WO Klue was defended by Mr Botha, who said the diplomat had "come across information concerning violence planned by the African National Congress (ANC)" and had acted as any British representative would have done had he obtained similar information about the Irish Republican Army;

- The sharp repudiations of the British Prime Minister, Mrs Margaret Thatcher, by both the then SA Prime Minister, Mr P W Botha, and Mr Pik Botha after she identified South Africa as "the" cause of tension in Southern Africa and the exclusion of blacks from the political process in South Africa as "a powerful factor compelling black political leaders to seek by violence what was denied to them by the laws under which they live";

- The sharp exchanges between the former British

Ambassador, Mr Ewen Fergusson, and SA politicians over whether or not Britain was indirectly aiding the ANC in its sabotage campaign against SA by allowing it to establish a major office in London.

Is the present impasse more serious than these previous clashes of will and opinion?

"I would hesitate to call it a crisis, although it has the potential to deteriorate into one," said Mr Michael Spicer of the Institute of International Affairs yesterday.

"Relations are moderately bad but they are capable of repair — provided both sides exercise diplomatic finesse."

If SA decided, however, to "bludgeon" its way to a solution — either by closing the Durban consulate or by going in and arresting the six refugees — relations could easily deteriorate into a full-blooded crisis with serious consequences involved for both countries, Mr Spicer said.

OPERATION OF NEW POLITICAL SYSTEM ANALYZED

Johannesburg SUNDAY TIMES in English 23 Sep 84 p 29

[Article by Willie Esterhuyse, professor of philosophy at Stellenbosch University: "How Do You Make Consensus Work? Well, Certainly Not by Knocking Shacks Down"]

[Text] In the debate about the new constitutional dispensation, it is often said that South Africa stands on the threshold of a new style in politics. This style is called consensus politics.

By this is meant that white people can no longer decide on everything alone, that negotiation must take place and that there must be joint authority at the level of decision-making over common affairs.

Unilateral announcements and simple consultation without those consulted being able effectively to influence decisions has been described as an intolerable procedure.

This shift in perception of political style represents a very important political gain.

Against this it must be stressed that consensus politics is not simply a political style.

Decision-making

Political decision-making takes place not only on different kinds of issues, but it is also influenced by a variety of factors.

For example decisions can be taken on non-ideological and simple technical matters where consensus is usually not difficult.

But, unlike technocrats are sometimes inclined to believe, political decision-making does not deal solely with technical questions. Values and ideology also come into it--especially when it deals with the formulation of broad political goals.

On decisions like these, consensus is not simple. Consensus politics means that there must be a determined rapprochement between participating parties over what can be accepted as basic goals and values. If the participating parties take up hard ideological positions consensus will be a futile exercise.

This question is of decisive importance for the future of consensus politics in South Africa.

Protagonists of consensus politics will have to accept that a change in political style demands equally that there be a change in traditional ideological choices.

It is wishful thinking to imagine that consensus politics must be directed towards achieving acceptance of the traditional ideology of the white governing elite.

Different kinds of conditions have been stipulated for successful consensus politics: the disposition of the participants, the question of whether there are enough common areas to further consensus decision-making and negotiating skills.

In the modern world bargaining has become a sophisticated affair which demands certain skills. And skilful negotiators are not found behind every bush.

I would like to pause over two conditions which are generally referred to.

The first is a climate of relative trust between the participating parties and the second is the existence of effective instruments.

On the question of trust there are a number of problems. On the inter-party level--and this affects especially the majority parties--there has been good progress with the creation of trust and confidence-building.

Distrust has been tempered and President Botha has successfully created faith in his abilities and his leadership among a broad section of the leader elite.

His personality and role will be decisive in the new style of politics and there can be little doubt that he will ensure breakthroughs regarded as impossible until a few years ago.

Compromise

Where there is a problem, it is among those outside Parliament. Among supporters and non-supporters of the majority parties in the House of Representatives and House of Delegates, there is still a wait-and-see attitude.

It can be accepted that many coloureds and Asians did not vote, not because of intimidation, but because they had no confidence in the NP's intentions.

The first fruits of the new dispensation will have a real influence on this issue, as will the role of organisations like the UDF. It seems likely that the UDF will redefine its future strategy after the launching of the new dispensation.

There could even be an attempt to reach a compromise between the UDF leadership and the leadership of the majority parties among the coloureds and the Indians.

Strictly speaking, the main goals of these groups do not really differ. Everybody wants to see apartheid broken down and negotiation for black political rights. The main difference is strategy.

It is also extremely likely that levels of trust will be fundamentally influenced by Government action against boycotters, demonstrators, strikers and squatters. And here the resettlement question must be included.

In the Western Cape, where the voting percentages were exceptionally low, the policy on squatters and established black residential areas will have an important influence on consensus politics.

It is inconceivable that the majority parties in the House of Representatives and the House of Delegates will accept joint responsibility for the policy in its present form. All the more so because black issues will be dealt with as a "common affair."

I have little doubt that forced removals from established black residential areas, or even attempts to achieve this more subtly through, for example, the freezing of developments in established black townships, will be a dagger in the side of development of a more stable climate of trust.

Effective consensus politics on the basis of a relative measure of trust is simply not possible when it is accompanied by forced removals and the destruction in winter of squatter shelters.

The new style politics must be accompanied by a different style of action in conflict situations and towards problems which have been inherited from the old dispensation.

To handle these problems as if the old dispensation, with all its ideologically-inspired ideals still existed, would not only be grist to the mill of radical forces, but also politically short-sighted.

If we look at the mechanisms which will aid consensus politics there are quite a few which hold promise.

The first is the Cabinet of the executive State President. Here we find an important element of Westminster--the link between the executive and legislative authority.

Leadership

The guarantee that consensus decisions will filter through to the legislative chambers via the representatives of the majority parties in the Cabinet is of crucial importance.

This filtering need not be difficult. In the new dispensation, more than in the old, Cabinet members will be exceptionally well placed in influence decision-making below them.

Political leaders usually have additional power bases. In the new dispensation connection power, reward power, expert power, information power and positional power will play an important role in the caucuses and the chambers.

Connection power rests on a leader's connections with other influential people. Reward power rests on his ability to acquire privileges for his supporters. Expert power derives from his expertise and knowledge, information, and positional power from the position he fills in the hierarchy.

Cabinet Ministers will be extremely well placed with regard to these power bases. Consensus in the Cabinet will in most cases also mean consensus in the majority parties.

The position of the Executive President with regard to this question is interesting for he must also have a power base when he stands at the helm of consensus decision-making.

The way in which the President is chosen links him inevitably to the majority party in the white chamber. Because of his own power base he must have certain connections with this majority party. The nature of those connections will have an effect on the application of consensus decisions.

Power bases must necessarily take on an institutionalised form. It is therefore understandable that the President can remain as national leader of the majority party in the White House.

Mechanisms

In the final instance he must be able to rely on the support of this party. And it is even not too far-fetched that the President could also be chosen to remain as provincial leader. An effective power base for the President--apart from the constitutional powers of his office--is essential for the executive consensus politics. But it must be conceded that a provincial leadership for the president could create certain problems.

A second mechanism which can advance consensus politics is the President's Council. Much will depend on the sort of people who will man this institution. If it is true that institutions give people status, in this case it will be the opposite.

President's Councillors will determine the status and effectiveness of the President's Council.

A third mechanism of great importance is the standing committee. One of the big advantages of this machinery is that it provides an institutionalised link between the majority parties in the different chambers.

It also promotes specialisation and the possibility of frank debate and horse-trading without the necessity of always looking over one's shoulder at the public galleries.

Black Rights

A major lack among the instruments is the fact that there is no effective mechanism for consensus politics on black rights. A condition for consensus politics is that those whose future is affected should also be full participants in the bargaining process.

Consultation is not enough. While the Cabinet committee represents a great step forward, it is inconceivable that it will remain the only mechanism. This would contradict the whole idea of consensus politics--even if in time coloureds and Asians were appointed to the Cabinet committee.

What is needed is a mechanism by which both representatives of the groups taking part in the new dispensation and representatives of the black people would have a seat.

What are the chances that consensus politics can succeed? This question can be answered only by a prophet. And the record of political prophets in South Africa is not very good. Nevertheless, it can be said that a number of minimum conditions are present in South Africa which could favour consensus politics.

It must also be accepted that forces are busy which would like to sabotage these minimum conditions.

The likelihood that consensus politics can succeed is still greater than the chance that it will fail.

The fact of the case is that the National Party cannot afford the failure of the new dispensation. And this puts the other participating parties in a better bargaining position than in the past.

CSO: 3400/53

NEW CONSTITUTION FACES ECONOMIC CHALLENGE

Johannesburg SUNDAY TIMES in English 23 Sep 84 p 28

[Article by William Yeowart, president of Assocom]

[Text] This week has seen the opening of the new tricameral Parliament--the State President has been elected, the whole huge machinery of government begins to move again, with additional MPs and more committees.

Because of the chosen mechanism of "General Affairs" and "Own Affairs" there will be a great focus of attention on how successfully or otherwise the House of Delegates perform in the very necessary task of "bringing home the bacon."

It is a regrettable function of democracy universally, that this is adjudged as a measure, often the only measure, of success.

To remain with the culinary metaphor, the cake has to be resliced, there must and will be a re-allocation of resources, there will be a transfer of income.

Profits

The cake is of course the economy and particularly that part of it that works in such a way as to produce profits which are taxed, jobs which produce salaries and wages that are taxed--in fact all those enterprises and people who are by their activities contributing to the Gross Domestic Product.

The economy is not in a happy state. It is beset by influences external and internal which have slowed it down, and skewed it.

At the heart of the problem is the fact that we are well into the eleventh year of double-digit inflation with little prospect of its diminution.

One of the immediate factors contributing to concern is of course the increased level and tempo of government expenditure before the constitutional dispensation had even come into being.

While there are clear and unmistakable signals coming from the Minister of Finance, his officials and the Reserve Bank about curbing, cutting and curtailment, the corrective process is not instantaneous and is inevitably painful and protracted.

That this process has to take place at the very time when new demands are being made in finite resources pose problems of a judgmental nature which will exercise the wisest of minds in the disposition of these resources.

It is therefore important to note that in the closing session of the last of the old Westminster-style South African Parliament there was created a "State President's National Priorities Committee."

I cannot stress enough the urgency of this exercise because there is no doubt that constitutional reform can only develop within the context of a strong and growing economy.

An economy that has its resources misallocated, that pays too little attention to nurturing and developing the productive elements in the economy will founder and if the economy cannot provide constitutional development is itself in jeopardy.

Not only is it important that the State President's National Priorities Committee exists, which now indeed it does, it must not be some sort of secret conclave.

It must, after deliberation and consultation--perhaps with the State President's Economic Advisory Council--make publicly known certain targets.

It might consider among other things:

--Stating the amount of funds to be expended on capital or infrastructural development over a given period and relating these to the establishment costs of the public service.

In other words ensuring that we do not fall into the conventional trap that when cuts are demanded of public service they are made at the cost of cutting services or projects but retaining the establishment.

--Targeting the size of the public service and setting productivity norms.

--Examining all expenditure envisaged, not only by the Government but by parastatal organisations so that there is a clear picture of the borrowing and spending patterns of not only the Government itself but of bodies such as Iscor, Escom, the South African Transport Services and other major users of funds.

Planning

In this way can business and not least importantly, the international banking community know about the quantum of demand for resources.

--Placing these demands within a context of targets for the curbing of inflation and the expansion of money supply.

If the priorities committee could adjudicate on these matters and let them be known publicly then perhaps we could begin to run RSA Limited more like a business with a degree of planning, rather than on the ad hoc basis which seems to have characterised our recent management.

No Priorities Committee worth its salt would have sanctioned a 28 percent increase in civil service remuneration at a time when we knew we were in a drought cycle and that we were dealing with a more than volatile gold price that had more downward potential than upside hope.

That there is a cost to reform is unquestioned; what we must see is that those costs are judiciously balanced against resources.

We must remember that the wider circle of the public who anticipate an improvement in their lot are now constituted as an electorate and are not merely a disenfranchised racial group or groups.

The constitution seems to me a serious attempt to deracialise national politics in this country.

It has many imperfections, but it represents the fact that colour is not a criterion for participation in national politics.

If it is regarded as a transitional process it has within it some of the ingredients to produce a degree of stability which a maintenance of the previous status quo could never have engendered.

Stability is a necessary and important ingredient for business confidence and no political change, growth or development can occur within a context of economic stagnation or significant lack of investor confidence, especially in an economy that has grown to where it is on the reasonable anticipation of investors both local and overseas.

This country has a comprehensive agenda of things to be accomplished over the next decade or two.

- Infrastructure--not least important relating to the provision of water.
- Education.
- Coping with urbanisation.
- Rural Development.
- Decentralisation.

None of which appear to be items which render any immediate return on the billions which must be invested.

But the consequences of not investing now will be frankly catastrophic.

That more and more people will be brought into the process of government; that they will have a vote and make a real demand on resources is unquestionable.

To meet these aspirations can only be done by judicious management; by preserving and encouraging sources of finance to function profitably so that they can contribute to this process.

Wealth

The Third World South African is a neighbour to First World.

He can visit it, he is often an unwelcome guest in it, he is acutely aware of it, he lives in its midst but enjoys little of its fruits.

The constitutional dispensation enfranchises elements of the Third World.

Black urban government will give more people a say in affairs. The challenge seems quite obvious.

The First World style of government and the First World economy had better ensure that by its action, its organisation, its planning, by its development and deployment of resources that it assists in the transitional process from Third to First.

If it fails to do this the journey the other way will be a painful one for all involved. (Extracted from a speech this week to the Institute of Directors)

CSO: 3400/53

ANGER OVER CONSERVATIVES HILLBROW PLAN

Johannesburg RAND DAILY MAIL in English 25 Sep 84 p 3

[Article by Anton Harber]

[Text]

THE outcry over the call by the Conservative Party to stop coloureds and Indians from living in Hillbrow grew yesterday, with the South African Institute of Race Relations (SAIRR), Actstop and the National People's Party (NPP) adding their voices to the protest.

The CP has also called on the Government to implement the Group Areas Act to stop coloureds and Indians living in Hillbrow and has called on people to form "action groups" to help the police in the area.

The CP has attacked the Government for allowing "lawlessness" in Hillbrow, saying it was being allowed to become the "cesspool of Johannesburg".

Mr Cassim Saloojee, chairman of Actstop, an organisation representing coloureds and Indians living illegally in "white" areas, said the CP was inciting racial hatred.

Mr Saloojee angrily rejected suggestions that the "illegals" were responsible for the crime in Hillbrow.

"These are people who are desperate for places to live because they cannot get homes elsewhere. They are decent, law-abiding people who have had no choice but to move into Hillbrow," he said.

Mr Able Choonara, an NPP MP, said the NPP would fight "tooth and nail" to prevent the CP from carrying out its plans.

The NPP would call an

emergency meeting and would take up the matter with the police.

Mr Mohammed Dangor, chairman of the Transvaal region of the SAIRR, said the CP activities would not be good for race relations.

He described Hillbrow as "a tranquil island of racial co-operation" into which the CP would introduce racial friction.

"Dr Treurnicht is a responsible political leader. He knows about the housing shortage. He is using the issue to gain political credibility in urban areas and to create conflict.

"It is irresponsible for him to whip up emotions and use the plight of the homeless as a political football."

● One only had to look at Hillbrow buildings, smell them and see what condition they were in to know which were illegally occupied by coloureds and Indians, Mr Clive Derby-Lewis, the Johannesburg chairman of the Conservative Party, said last night.

Mr Derby-Lewis was addressing a meeting at Joubert Park called by the CP to protest against "the lawlessness and illegality" in Hillbrow. About 140 people attended.

Earlier Dr Andries Treurnicht, leader of the CP, paid a brief visit to the suburb.

CP Aims Political, Says PFP

HILLBROW'S multiracial environment was the result of economic conditions — and if residents were left alone, they would not have problems with each other, Mr Sam Moss, leader of the Progressive Federal Party in the Johannesburg City Council, said yesterday.

The intention of the Conservative Party to root out Indians and coloureds from the area was irresponsible, and a political game, Mr Moss said.

He said the CP's actions would be to the detriment of peace in the area.

Councillors for the Hillbrow area met yesterday to discuss the issue and Mr Max

Neppe (Berea) said they regretted that the CP was causing trouble in the area.

Mr Simon Chilchik, chairman of the soon-to-be-established Hillbrow Residents Association, yesterday described a comparison of Hillbrow with America's Harlem as most irresponsible.

The comparison was made by Mr Clive Derby-Lewis of the CP, who also alleged that there was drug abuse and prostitution in Hillbrow.

Mr Chilchik said he and Mr Mitch Gordon of the Hillbrow Traders Association would tour Hillbrow this week to investigate the allegations.

He said a report would later be made public.

CSO: 3400/53

NATIONALISTS MAKE MAJOR SHIFT IN CAPE POLICY

Johannesburg RAND DAILY MAIL in English 26 Sep 84 p 1

[Article by Chris Freimond]

[Text] Cape Town--In a major shift in Nationalist thinking, the State President, Mr P.W. Botha, announced yesterday that the Government was scrapping its coloured labour preference policy in the Western Cape, and extending 99-year leasehold rights to blacks in certain townships in the region.

Speaking at the National Party's Cape Congress in Cape Town, Mr Botha also seemed to indicate that the Government would not go ahead with its plan to move all blacks in the Western Cape to Khayelitsha, the massive township being built on the Cape Flats.

Mr Botha admitted the Government had erred in the past by not implementing certain recommendations of the Tomlinson Commission on black urbanisation.

One of his main justifications for extending 99-year leasehold to the region was that the private sector was not interested in providing housing for employees if there was not 99-year leasehold.

Previously, the Government has taken a strong stand against extending 99-year leasehold rights to blacks in the Western Cape.

Mr Botha said he believed that blacks who were legally in the Western Cape should be able to compete equally for jobs in the region.

Previously, coloureds in the area had by law to be given preference in employment.

The leader of the Progressive Federal Party, Dr Frederick van Zyl Slabbert, said last night that Mr Botha's announcement was long overdue.

"It's nice to see that the National Party in the Cape has at last moved into the 20th Century," he said.

The Coloured labour preference policy had caused incalculable suffering and had retarded economic growth in the Western Cape. It was hoped that this could now be rectified, Dr Slabbert said.

Mr Botha had to use extreme tact to have his announcements accepted by the congress. In earlier debate on the issues there was clear opposition from some delegates to proposals that the policies be changed.

However, after Mr Botha's 40 minute address his announcements were accepted without dissent.

In an indication that the Government may have dropped its highly controversial grand strategy to move all blacks in the Western Cape to Khayelitsha, Mr Botha said the Western world was very sensitive to the large scale removal of people merely because someone wanted them moved.

In South Africa as well there was a growing sensitivity in this regard which the Government had to heed.

But he carefully avoided direct reference to the massive squatter settlements in the Western Cape, many of whose residents are illegal in terms of Government policy.

Mr Botha said the Government had adopted a wide-ranging economic development and decentralisation strategy.

It included aspects of urbanisation as well as efforts to develop informal business sectors--particularly in black areas--to counter the drift to the cities.

If solutions to the problems were not found, it could at least be said that the Government tried to find them.

CSO: 3400/53

SPLIT IN SECRET AFRIKANER BODY REVEALED

Johannesburg RAND DAILY MAIL in English 27 Sep 84 p 7

[Article by Nicola Bekker]

[Text] Deep ideological differences within the highly secret Afrikaner youth organisation, Die Ruitewag, surfaced in the Rand Supreme Court yesterday.

An urgent application in the judges' chambers yesterday revealed the once powerful "junior Broederbond" suffered a split along verligte and verkrampste lines at the time of last year's referendum.

In two separate applications Mr Justice A. Preiss heard that:

--The former president of the organisation, Mr Christiaan Fisser--suspended for holding an "unconstitutional" meeting--had since been "meddling" with the running of the Ruiterraad (the organisation's council), and:

--The current acting chairman, Mr Jan Dawid le Roux, was elected in an improper manner.

Mr Le Roux brought the application against Mr Fisser and five former Ruiterraad members, asking that they be interdicted from interfering with the running of the Ruitewag or the Ruiterraad which is responsible for key positions.

He said Mr Fisser, former president of both the Ruitewag and the Ruiterraad, was chosen on May 31, 1983. He was suspended at a meeting of the Ruiterraad on August 24 this year but his presidency terminated on August 31.

He said Mr Fisser had been suspended for acting against the interests of the Ruiterraad. In particular, he had opposed a call to vote "no" in last year's referendum and had called for freedom of expression within the organisation.

Mr Fisser had opposed "working documents" compiled by the Ruiterraad intended at the time of the referendum to judge political differences within the organisation.

Mr Le Roux claimed that Mr Fisser, without permission or approval from his fellow Ruiterraad members, compiled a letter criticising the working documents. He sent this to key members.

Mr Fisser and other Ruiterraad members also held a meeting which was unconstitutional, Mr Le Roux claimed. The meeting was held under the chairmanship of Mr Fisser, although he had already been suspended. Mr Fisser's actions were allegedly totally in conflict with the decisions of the Ruiterraad.

In a second application Mr Fisser--who said the court hearing was not in the interests of the Ruitervag--said his suspension was unconstitutional and Mr Le Roux had been elected in an improper manner.

Mr Fisser said he had been suspended by the member committee (Lede Komitee). This was against the constitution of the Ruitervag and Mr Fisser said he was still legally president of the organisation.

The present differences in the Ruiterraad arose over the new constitution. Mr Fisser said Mr Le Roux and his followers were supporters of the "no" vote and wanted to force their standpoint on other members.

Papers before the court suggested that Mr Fisser had the backing of the Afrikaaner Broederbond.

The hearing was postponed until October 3.

CSO: 3400/53

HORST COMMENTS ON FAILURE OF ETHNIC ELECTIONS

Cape Town MUSLIM NEWS in English 31 Aug 84 p 7

[Text] The President of the South African Council on Sport, Mr Frank van der Horst, issued the following statement to MUSLIM NEWS on the failure of the recent ethnic elections:

The nation-wide demonstrations condemning the racist dummy elections and the "New War Deal" was a death blow to the plans of the apartheid rulers. Neither sjamboks, bullets, baton charges, teargas or newspaper and television propaganda could stop the masses in their rejection of slave bodies and in their march to liberation.

The huge anti-election meetings and rallies by all progressive organisations and the disastrously low poll was a massive defeat for white supremacy and its black slaves, the collaborators. These stooges who stood in these elections have no mandate from the people and are politically illegitimate with no base in the organisations of the toiling masses.

Junior Partners

The 'New War Deal' is a panic measure of a besieged ruling class to the deep social and economic crises of apartheid-capitalism.

P.W. Botha has stated that notwithstanding any low poll, they will proceed with the 'War Deal.' He obviously has no other choice. The stooges represent the bottom of the barrel that the government scratched out from the black middle class. They are merely interested in the fat salaries of R43 000 annually and other kick-backs from their white masters. They are like the Sebes and Mantanzimas that are the junior partners in apartheid exploitation. They will manage the cheap black labour in the group areas and locations through a system of ethnic municipalities and homelands for their state president. They will assist in implementing the apartheid laws and conscript our youth for military duty to defend this evil system.

Even before the 'elections,' these stooges were boasting how they will fix certain teachers and organisations like Sacos, UDF, CAL and others.

The Battle Continues

The battle continues to resist the New Deal on every level and to reject the stooges. Tactics must be worked out to oppose the ethnic municipalities and the control of sports facilities and civic amenities.

The added costs of the new bureaucracy will be carried by the residents who must demonstrate on every occasion against the lowering of their standard of living.

Parents, teachers and students must unite to oppose the impending attack on non-racial school sports and the attempt to introduce multi-national sports.

Any attack on any organisation must be resisted as an attack on the broad liberatory movement.

Fear of Principled Unity

An even greater fear of the rulers and their lackeys is the unprecedented unity on this anti-election issue by workers, students and sports-persons. They fear the growth of working class mass organisations that operate independently of the ruling class parties, the bosses or their liberal agents. They want to smash our organisations or to misdirect our struggle into a call for a national convention (a PFP idea) or passive resistance (a respectable form of begging) that will only be in the interest of the rulers.

Building a New Nation

We must continue the liberatory struggle against the vicious system and its collaborators and strive to build a single new democratic nation of South Africa/Azania.

We must build a mass movement on a principled basis that is led by the black workers, the only consistent and militant class.

We have won a decisive battle in the anti-election campaign. But many battles are still to follow before we win the war against apartheid capitalism.

CSO: 3400/53

FOREIGN MINISTER'S HANDLING OF DURBAN CONSULAR AFFAIR HIT

Johannesburg CITY PRESS in English 30 Sep 84 p 7

[Column by Percy Qoboza "Percy's Itch": "Pik's Blown It Again"]

[Text] One would have thought that after spending years in the diplomatic field, in some of the world's hottest spots, Foreign Affairs Minister Pik Botha would have showed better sense in dealing with the Durban consular affair.

His ability to cause unnecessary tension for this country is, quite frankly, amazing.

If he, as Minister responsible for this country's diplomatic missions around the world, can demonstrate such amateurish inclinations, heaven help us from what his subordinates must be doing.

In his enthusiastic attempt to force the British Government to evict the six anti-election leaders from the British Consulate in Durban, Mr Botha announces--with typical arrogance--that the four men charged in Britain for violating British customs laws will not be allowed to go back to London to face charges.

When the men were first arrested, the South African Government first tried to distance itself from them since they faced charges that smacked of violating an arms embargo against this country.

After some dithering, the South African Embassy in London came forward and stood bail for the men to the tune of R400 000.

The men were then released--purely on the honourable assurance of this country that they would stand trial.

Mr Botha had the temerity to say in public: "I do not deny that we have broken an undertaking. We were left with no choice."

Poppycock.

The fact of the matter is that the six men taking refuge in the British Consul have nothing to do with the four men charged with serious criminal offences in Britain.

Is this perhaps a clever way of getting the four off the hook and thereby letting South Africa off the hook with the evidence that may have been led?

Mr Botha cut a pathetic sight on TV when he tried to justify this monumental diplomatic boob. He asserted that Britain, by harbouring the six, had in fact violated international law.

Again I say poppycock.

Britain was acting in the spirit and law laid down in the Vienna Convention--which states quite categorically that "consuls may provide temporary relief to refugees."

Her Majesty's Government acted with distinguished honour. Mr Botha had no right at all, in terms of accepted norms of democratic decency, to describe the six as fugitives from justice.

It is well known that the six men are not being viewed as criminals--at least by all those who hold high the principles of the rule of law.

Both Mr Botha and his colleague, Law and Order Minister Louis le Grange, want Archie Gumede and his colleagues out of the consul simply to serve them with new detention orders--in other words, just to send them to jail without trial.

If they had committed any criminal offences, such evidence should have been put in the hands of the British Embassy and the charges they face clearly indicated.

That has not been done--thus fuelling the popularly held view that they are wanted for incarceration without trial.

No self-respecting embassy or its consulates could be expected to be seen to cooperate with a government which wants to carry out a repulsive policy.

What Mr Botha has effectively done, is damage the honourable intentions of diplomacy while giving dubious solace to the lunatic fringe in the right-wing.

Don't play kragdadigheid with the international community.

South Africa has nothing to offer the world's big powers and Mr Botha should, at the very least, appreciate their diplomatic presence in this country.

Even more devastating is that this country cannot be trusted again on the word of its Ministers or representatives.

If Pik Botha can go back on his word and the assurances of his Government the way he did, then how will his word carry any weight in the future?

I hope Ronald Reagan is watching these developments very closely.

I also hope that the six just remain holed up in their hideout in Durban. After all, it was the British that brought about the political infrastructure that has torn this nation apart.

CSO: 3400/53

LACK OF OBVIOUS SUCCESSOR FOR PIK BOTHA NOTED

Johannesburg THE SUNDAY STAR in English 30 Sep 84 p 35

[Article by David Breier]

[Text]

CAPE TOWN — PRESIDENT P W Botha lacks one asset in his new seat of power — an obvious and undisputed successor.

There are several heirs apparent, but can any of them maintain Mr Botha's reform momentum?

The general favourite is Mr F W de Klerk, largely because he is Transvaal leader of the National Party.

Mr de Klerk is likely to be re-elected unopposed as Transvaal NP leader at next week's party congress, despite a rumour that Minister of Foreign Affairs Mr Pik Botha might make a challenge.

Mr de Klerk, the Minister of Home Affairs and National Education, would be an able successor to President Botha. But the chances are that he would retard reform.

Transvaal has more seats in Parliament than any other province — providing his power base. But it is politically paralysed because a large chunk of the local party has already defected to the Conservatives.

His dilemma is also illustrated by his cautious statements on issues

such as the abolition of the Mixed Marriages Act, and he has sometimes been a less than enthusiastic reformist.

The rest of the Cabinet "A Team" of presidential calibre at this stage are Mr Pik Botha, Mr Chris Heunis and Dr Gerrit Viljoen.

Mr Pik Botha would probably be even more aggressively reformist than his namesake, but would he get away with it?

Mr Heunis, as the acknowledged architect of the constitution and Minister of Constitutional Development and Planning, is closest to the heart of Government reformist thinking.

But despite exhaustive media exposure, his public image is still wanting. However, as a Cape man, he could take over the power base.

Dr Viljoen, Minister of Co-operation, Development and Education, might be the ideal compromise candidate.

He is neither aggressively reformist nor has he shied away from Government reform. His intellect is awesome and, as a former Broederbond leader, his credentials are of the highest.

PORT ELIZABETH HURT BY RECESSION

Johannesburg THE SUNDAY STAR in English 30 Sep 84 p 9

[Article by Eddie Andries]

[Text]

THE motor industry is skidding into the sharpest economic bend in its 50-year history in Port Elizabeth.

Hundreds of motor trade workers who have lost their jobs through staff pruning in recent weeks have pushed the city's official unemployment figure past a record 100 000, with more expected to join the workless queues.

The recession is the dominant topic of conversation. Parties are more subdued, and there are fewer of them. A mood of gloom grips the community.

Take 36-year-old Murray Calitz. He was one of several hundred laid off by one company. "It was a tremendous blow to my self-esteem," he said.

Mr Calitz, married with two young children had always felt secure and happy in the three years he had worked for the company as a motor spare parts price analyst. Then came the shattering news...

But he is one of the luckier ones. He has got a job as an insurance salesman and his wife is now working.

Colin Augulhas was laid off for the second time in two years a fortnight ago. He was a senior quality controller in a car components factory and earned, with overtime, R200 a week.

He has been unable to find a new job and this week will register for unemployment benefits which will amount to 45 percent of what he was earning. He and his two children, aged four and two, will be supported by his wife, who is working.

Raymond Mbilane was retrenched last week for the second time in four years. A labourer earning R2,69 an hour he has a wife and a year-old daughter to support and does not qualify for unemployment benefit.

He plans to take his driving licence examination — even though he knows his chances of finding a job as a driver are slim.

Attempts to help such people are being made by Les Kettledas, secretary of the Eastern Province branch of the National Automobile and Allied Workers' Union, which has more than 10 000 members in the Port Elizabeth area.

He is pressing employers to agree to lay-offs on a rotation basis so that no one will be fired. The response has not been favourable.

The regional representative of the Department of Welfare, Jacobus Odenaal, said: "Our waiting room is becoming fuller each day as more people come in for assistance."

Mayor Ivan Krige says Port Elizabeth is too dependent on the motor industry, and he wants more diversification.

"It's a situation that affects everyone. There are such widespread ripple effects that even the local chocolate factory is affected."

Port Elizabeth survives almost solely on the backs of Ford, Volkswagen and General Motors, which have intro-

duced four-day weeks for hourly paid workers and made huge cut-backs on staff in attempts to "rationalise" production and minimise losses.

The Ford plant closed for a 10 days earlier this month. The entire staff of more than 4 000 went on an unpaid holiday.

South Africa produces a larger range of motor cars than any other country — and has one of the smallest markets, making competition cut-throat. There are 14 manufacturers vying for a slice of the R5-billion spent on new vehicles annually.

The president of the National Automobile Association, Mr Colin Adcock, warned that total monthly sales until early next year would probably be about 3 000 fewer than predicted. Mr Adcock is also general manager of Toyota.

The executive director of the Port Elizabeth Chamber of Industries, Brian Matthew, made no bones about what he believed to be the root of the problem, and his views were echoed by many others.

"These retrenchments would not have been necessary were it not for the Government's absolute lack of economic management."

Citing the recent GST increase and rise in hire-purchase deposits, with a

shorter period of time in which to make repayments, as the cause of the industry's crisis, Mr Matthew said: "Had things been done more systematically there would not have been so many problems or so much hardship."

The Government's lengthy warning of these impending rises had prompted a massive clamour for vehicles to avoid the rises, which had been followed by a massive slump, and this had wrought havoc upon the industry.

"This stop-go sort of policy is ridiculous."

He was optimistic, however, that the economy would be back on an even keel during 1985 — "if the Government does its bit to help".

Lou Wilking, managing director of General Motors SA, also laid much of the blame on the rush for cars to beat the new GST and HP conditions.

He referred to the day on which the measures were introduced as "black Thursday".

Mr Wilking also pointed to the sliding value of the rand against the dollar, down about 23 percent in six months, which had pushed up the cost of new cars and would result in lower sales figures — and further hardship.

"There will soon be a lot more unemployed people," he said. "The outlook is precarious for everyone."

PRETORIA'S 'FOREIGN BLACKS' DILEMMA EXAMINED

Johannesburg THE STAR in English 21 Sep 84 p 6

[Article by Andrew Beattie]

[Text]

Pretoria municipal authorities are at sixes and sevens about whether or not "foreign" blacks are allowed to use municipal amenities.

The issue has arisen after an incident on Wednesday when a black man who apparently claimed to be an American with diplomatic status was asked to leave the Pretoria city public library.

A US Embassy spokesman in Pretoria said none of the embassy's staff had been involved in any incidents of this nature. The man's identity remains unknown.

The deputy chief librarian at Pretoria Library, Miss EM Hansen, confirmed the incident, adding that she found the incident highly regrettable and the whole situation "ridiculous".

"Coloureds and Indians have their own separate libraries in their own suburbs," she said, "and all races are entitled to use the State library which is next door to the city public library."

Miss Hansen said she was unsure about wheth-

er black tourists were allowed to use the library, but was certain that "diplomatic staff" were allowed to be there if they could prove their identity.

A public relations official for the Pretoria Municipality, Mr Jan Bezuidenhout said that he, too, was unsure about whether foreign blacks were allowed to use the library.

"This uncertainty applies to all municipal facilities. I will have to get legal advice on this matter," he said.

Mr Bezuidenhout pointed out that admission to these facilities was decided upon by the town council, who had the discretion either to open facilities to all races or to exclude certain races.

In the meantime, the library staff is totally in the dark about who fits the definition "foreign black" and who does not.

"We do not know whether blacks from so-called independent homelands are regarded as foreign or not, and there have been several embarrassing incidents," one of the library staff said.

ELIMINATION OF RACIST, SEXIST TERMS IN TEXTBOOKS SOUGHT

Durban POST NATAL in English 26-29 Sep 84 p 24

[Article by Anthony Doman]

[Text]

RACIST and sexist terms in children's books and school textbooks have, not surprisingly, become the targets of clean-up campaigns.

But racism did, and does, happen, and it would be both absurd and blatantly dishonest for writers to put non-racial terms in a racist character's mouth.

So says prominent educationist Dr Richard Rive, whose own work (chosen as a school setwork) recently drew a storm of criticism for its use of racist terms.

Dr Rive, a noted black writer and an acknowledged international expert on the works of Olive Schreiner, said in a recent address to the Skrywersgilde that he had nothing but praise for "watchdogs" like the Committee for the Combating of Racism in Textbooks.

That committee, he said, was necessary to guard against and expose the prejudice and distortions often injected into education.

There were others who sincerely objected to the use of racist terms regardless of their context, he added. But there was another group that "insincerely objects because they have an audience to cater for".

"These," he said, "cry shrilly at the first mention of Hottentot and leap to the defence when they smell the word 'coolie' and shudder fashionably when they detect 'kaffir'."

State censorship had not helped. In fact, it had had a "debilitating and negative effect" on creative writing, he said.

Added to that there was self-censorship, in which the writer tempered his creativity the moment he felt the hot breath of disapproval over his shoulder.

But as insidious were the "self-appointed custodians and guardians of political morality".

In the forefront of those, he said, were certain educationists who arrogantly ascribed to themselves the role of political arbiters over the works of writers.

Without wanting to sound like a literary snob, he said, he suggested that specialist knowledge (either formal or informal or both) was necessary.

Someone not versed in surgery would look ridiculous trying to attempt a delicate operation, he said. Someone not versed in law would make a mess of pleading a delicate case. And yet, he added, someone with no special training could perform an operation on a novel or pass sentence on a poem.

No one disputed the fact that some terms were derogatory and offensive and were rightly condemned. But it had to be borne in mind that the unacceptable terms of today might have been the acceptable terms of yesterday.

Although there had always been resentment over their use, there was grudging acceptance rather than outright rejection.

Hence there had been institutions, such as the Kaffir College; Plaatje

wrote a book called *Native Life in South Africa*; and a regiment proudly had called itself the Cape Coloured Corps.

Not long ago two radical organisations had called themselves the Non-European Unity Movement and the Coloured People's Congress. However, he added, in the present climate such ethnic designations were rightly unacceptable.

His view was: "Much as I, as an author, may reject them, my racially arrogant, bigotted and chauvinistic character (with whom I do not identify) cannot do so.

"It is the author's standpoint which should be put under the microscope, not that of his characters.

"If it is apparent in the work that the au-

thor himself adopts a racist position and is using his racial characters merely as a springboard for his views, I will still defend his right to create his distorted literature but will also assert my right to challenge his distortions.

"But if the work as a whole is an indictment against racialism, then the author has every right to create a character who is a racist, as a counter to characters who are not."

In South Africa's still racist society those issues were important, he said.

And there were more than enough laws to protect those (such as minors) who might be susceptible to racism.

"But let thinking people make up their own minds," he said, "and eliminate such works only as a last resort."

HEUNIS: BLACKS ARE DIFFERENT

Johannesburg RAND DAILY MAIL in English 27 Sep 84 p 5

[Article by Chris Freimond]

[Text]

CAPE TOWN. — Blacks could not be accommodated constitutionally on the same basis as whites, coloureds and Indians, the Minister of Constitutional Development and Planning, Mr Chris Heunis, said yesterday.

But this did not imply that they were excluded from political decision-making.

Speaking at the National Party's Cape congress in Cape Town, Mr Heunis said people who created a "psychosis of exclusion" among blacks were doing the country a great disservice, the results of which could be seen in what was happening in black communities now.

South Africa's problems were big enough without people striving for petty political ends which undermined stability, he said.

The Government's view was that blacks were entitled to the same political rights as other groups — authority over their own affairs and a joint say in matters of common concern.

Mr Heunis said blacks were not excluded from the

Government's general vision and aim.

The Government would strive to achieve an equitable political structure, but within the framework of:

- The multi-national nature of the country;
- The identification and protection of minorities — not for purposes of "discrimination or shame", but to ensure "pride and survival";
- The removal of "hurtful" and "unnecessary" discrimination;
- Acknowledgement of the irrevocability of the homelands as political entities and their continued socio-economic development.

Mr Heunis also indicated strongly that the Government might be considering a type of umbrella citizenship for all South Africans on the basis of nationality in a broad national area.

He said South Africa's political problems were extremely complex and there was no simple answer.

The Government was prepared to negotiate with any black leader who was seeking a peaceful road along which to fulfil his aspirations, Mr Heunis said.

CSO: 3400/53

TDC SACKINGS STIR WHITE FEARS

Johannesburg SUNDAY TIMES in English 23 Sep 84 p 2

[Article by Stephan Terblanche]

[Text] There is fear and uncertainty among white industrialists, public servants and people in key positions in Umtata in the wake of the sacking of the management of the Transkei Development Corporation.

First signs of the turmoil created by recent actions of the Matanzima regime is the suspension of a R22-million pulp-factory project for Umtata by a giant South African paper manufacturer and the withdrawal of at least four other smaller investors.

Sources closely involved in the handling of the country's financial affairs say there is growing concern in Pretoria over developments in the Transkei.

It was also learned this week from sources inside the SA oil supply industry that the five main fuel suppliers will cut off all petrol supplies to Transkei if takeover bids by a private company of Transkei fuel distribution depots go ahead.

It is claimed that the company is backed by the country's President and Prime Minister.

Developments in recent months include:

--A takeover bid by a Transkeian company, Trans-Versal Industries, of the country's only two fuel depots and the brewery in Butterworth, owned by SA Breweries.

--Resistance by the TDC to government demands that the fuel depots be handed over to the Transkeians headed by Mr Liston Tshongwana, a nephew of President K.D. Matanzima and Prime Minister George Matanzima.

The President and the Prime Minister were originally listed as members of the takeover group in a government letter to the TDC.

--The subsequent sacking this week of the TDC managing director, Mr Sonny Tarr, and 11 other members of his management team by the Transkeian Government.

--The expulsion from Transkei of Unitra academics trying to uncover alleged corruption at the University of the Transkei, and in some cases in the government. Some academics are involved on a part-time basis with either the TDC or government.

People closely connected to the TDC in Umtata this week said that it came as no surprise that Mr Tarr and his executive were fired.

They link this action to the takeover bids by Trans-Versal, saying that TDC opposition to the bids would now be removed by replacing the top management with people more favourably disposed towards those involved in the attempted takeovers.

It has been established that the government letter to the TDC concerning the sackings mentioned no names--but merely stated that the employment of "the managing director and his top management" would be terminated with the required six months notice on October 1.

But it is thought that 12 people to whom the letter was sent are those who have been sacked, including Mr Tarr.

Legal advisers to the TDC have sought legal opinion in South Africa regarding the sackings.

But in Umtata, sources close to the TDC management say Mr Tarr and his executive have accepted the situation and may even stage a walk-out before their six months' notice period has ended.

Significant of events in the Transkei is the overwhelming fear, mainly among whites, that they may be singled out as the sources leaking information to the Press.

All persons spoken to said they had already been interrogated by President Matanzima himself, or by the security police, or that their telephones were tapped.

At least one more deportation order concerning a white academic and part-time official was signed last week--though it has yet to be served.

All sources asked to remain anonymous as they fear reprisals from the Matanzima government.

CSO: 3400/53

BEYERS NAUDE ARTICLE, STATEMENT PUBLISHED

Whites Admonished

Johannesburg SUNDAY TIMES in English 30 Sep 84 p 4

[Article by Beyers Naude: "Whites Must Face the Pain of Change"]

[Text]

IF THERE is one overwhelming impression brought home to me during my seven years of banning it is this: South Africa is one of the most deeply divided societies in the world today.

People of different languages, widely differing cultures, different faiths and religions (and within these religions, numerous different confessions), different social customs and traditions, different classes and levels of education — all these form our society and live in closer or lesser proximity to one another.

The conviction of most whites, and especially Afrikaners, that people of such wide diversity could never live together in peace became the motivation behind apartheid.

Driving forces

It is important to emphasise that other motives too, largely unknown, hidden or unacknowledged, underlay this.

For instance, strong fears of being swamped by an overwhelming number of blacks, growing economic self-interest, and inferiority complexes of the past formed the unconscious driving forces of the Afrikaner in his striving for political power.

It is only recently that a small number of concerned Afrikaners has begun to discover how strongly these hidden motivations moulded the actions of the Afrikaner people.

Political scientists, sociologists and psychologists owe it to South Africa to spell out these hidden factors and help whites towards a rational re-evaluation of the political motives of the past.

I realise (on the strength of my own experience of an agonising theological and political pilgrimage towards a new insight) that this will be a painful process. But it is absolutely essential to face this if we as whites wish to evolve a reasonably peaceful political process of change.

Polarisation

If we fail, then we are embarking on a course of increasing polarisation, conflict and endless strife, the end result of which will inevitably be that whites will be the losers.

The white community, and especially the dominant Afrikaner group, must come to accept that the black people of South Africa, both urban and rural, are a permanent part of South Africa and that

nothing that governments may do will change this.

I am convinced that the vast majority of blacks in urban areas, in the homelands and in the so-called independent states, if given the opportunity to freely express their opinion, would vote to be and remain South Africans.

Afrikaner efforts to separate blacks from whites have been to no avail.

Self-defeating

Influx control, pass laws, endless raids, destruction of homes and shacks, enforced removals, the establishment of resettlement ghettos, the shifting of homeland boundaries to bluff the white electorate into believing that urban black numbers were diminishing — all these desperate attempts have failed.

The process of industrialisation, the urgent need for labour (both skilled, semi-skilled and unskilled), the impoverishment of rural areas and homelands, the lack of

sufficient opportunities not only to earn a living but even to survive — all these factors have brought, and will continue to force, thousands of people to the urban areas.

No magic wand is available to remove them from the vision of the whites.

The enforced separation of urban and rural blacks in an attempt to relieve or diminish the pressures on whites is a dangerous and self-defeating exercise. The black community will never voluntarily accept such a division and offer their co-operation to achieve this goal.

Moreover, any attempt to enforce the system of influx control with the accompanying hateful practices — pass raids, disruption of homes, enforced removals, and robbing people of their citizenship — can only lead to increasing anger, bitterness and hatred.

Shudder

Equally dangerous and fallacious is any policy based on the assumption that the political grouping together of

whites, coloureds and Indians, but excluding the black majority, could offer an acceptable and peaceful solution.

Not only has the outcome of the recent coloured and Indian elections clearly shown that, but anybody sincerely attempting to discover the feelings of blacks themselves will realise how strongly their feelings of resentment run.

What would the Afrikaner have done if the British, facing the rising tide of Afrikaners striving to attain their rightful heritage, had stripped them of their citizenship, their right to vote, to own land and to offer labour freely in South Africa?

Realistic

I shudder to think what the outcome would have been.

Similarly, any attempt to govern South Africa with a political system which excludes the black majority from meaningful participation (as the present constitution has done) can only spell increasing anger and opposi-

tion, especially on the part of the black youth.

Why attempt to enforce a political system which in any case cannot succeed in the long run because 75 percent of the population of the country does not voluntarily accept it?

Why not face the fact many governments in other countries have had to accept: we are dealing with a worldwide phenomenon for urbanisation which cannot be reversed in the way we are attempting.

Having accepted that, we must begin to seek a solution for urbanisation, lack of housing, lack of sufficient rural infrastructures and opportunities, and unemployment along more just, humane and realistic avenues.

Any attempt to minimise the growing tide of youth anger and militancy within the black, coloured and Indian communities, or to ascribe it (as is so easily done in some quarters) to "opstokery" of otherwise peaceful and stable communities, can likewise only lead to further tension and conflict.

Plea

If there is one plea which I wish to present to the white community, especially to the Afrikaner, it is this: try to ascertain the real feelings of the black, coloured and Indian student and youth groups of our country; try to discover and understand the hidden message which the current unrest, school boycotts, and stayaways portray.

And where they reflect the just and valid demands for change, be prepared to make such changes before a situation of confrontation and growing polarisation makes reconciliation a very difficult if not impossible task.

Force

Further, the current belief of many whites that a major uprising in the black community can be successfully suppressed by force should be actively discouraged.

The power behind the barrel of the gun may force people into temporary submission—it can never convince them of the justice of a policy and it can never convert them into voluntary acceptance and support of policies and practices they know to be oppressive and destructive.

Why continue with so much of what is clearly unjust if we as whites, deep in our hearts know, what is just?

Why continue with a policy which is senseless, futile, economically unattainable, and eventually self-destructive, if we can discover and devise another--a better--way?

Vows To Speak Out

Johannesburg THE STAR in English 28 Sep 84 p 1

[Text]

DURBAN — Dr Beyers Naude (69), despite seven years of bannings and restrictions, yesterday said he would continue to play a leadership role in South Africa.

In Durban last night he had supper with the six refugees at the British Consulate, addressed four prayer meetings at which he was given standing ovations by a combined total of 3000 people and gave three Press conferences.

"I do not know how much of a leadership role the Government will allow me to play. It all depends on their politics. Maybe they will realise that what they now have is not a solution and allow me to say the things which they never would.

"But I will not mince my words, nor will I tone down or water down my stance.

Of course, I will do it responsibly," said Dr Naude.

He said he felt no bitterness about his banning and restrictions which probably prevented him becoming president of the World Alliance of Reformed Churches.

Asked why he was visiting the six refugees at the consulate, Dr Naude said he knew well the hardships and cruelty of banning orders and restrictions.

"I have come to express my concern and support for the six men who are in a situation not of their making. I am totally against bannings and detention without trials. I have been a victim of the internal security laws and believe it is my duty to show solidarity with all those affected."

Dr Naude said although he was no longer banned, he did not believe he was free, nor could he enjoy freedom when so many were detained and restricted.

CSO: 3400/53

REINSTATEMENT OF NAUDE ADVOCATED

Johannesburg SUNDAY TIMES in English 30 Sep 84 p 35

[Article by Ben Engelbrecht, Professor of Religious Studies, University of Witwatersrand]

[Text]

BEYERS NAUDE has always remained "dominee" for me. When he was deprived of his status as a minister of the Dutch Reformed Church, many previous colleagues seemed to find sadistic pleasure in following the trend that was set in political newspapers by dubbing him "Meneer Naude".

This was the most final and decisive way of denying any recognition of his genuine concern with the way in which the Christian gospel was interpreted (and distorted!) by the dominating powers within the church of which he was a minister.

He had left the ministry of his church, it was claimed, because his aim was to propagate a gospel alien to the tradition in which he was brought up and which he had previously served.

This alien gospel was the "social gospel", the one embraced by the "liberals" who were the "dupes of communism".

He was everybody's heretic at whom all and sundry could cast the stones of rejection in order to obliterate even the recollection of his image as an erstwhile dominee of the "Kerk van die Afrikaner".

Yet, in spite of numerous pleas on his part to subject himself to any trial the church might deem necessary, he was never given a hearing and never found "guilty" by any official ecclesiastical court.

In fact, the real issue was consistently evaded. The last thing Beyers Naude ever wanted was to be alienated from the church within which he was born and bred.

This church remained for him the Church of Christ, and his passionate desire was that it should examine itself in the light of the question of whether it still belonged to its Lord alone, or whether it had been lured away by the attractions of "pseudo gospels", of self-interest and self-justification.

He realised that what "kerk en volk" needed most was that the Word of God should be listened to anew.

In this respect, he showed the concern of a significant group of ministers, mostly of the young generation, and members of the Dutch Reformed Church (including the Hervormde Kerk and the Gereformeerde Kerk).

The "pad van Suid-Africa", if it were to lead out of an imminent and indeed already existing chaos, could only be that of obedience to the Christian gospel of reconciliation.

Beyers Naude was called anew to be a minister of this gospel.

I shall always remain convinced that he "received" this calling in his fellowship with brothers and sisters in the Reformed faith, who believed and knew that basic truths confessed in this faith contained a possibility and a promise for steering away from the disasters of an idolatrously entrenched protection and glorification of Afrikaner self-interest.

That is why he always remained "dominee" for me.

The piety of Zinzendorf of Herrnhut (1700-1760) expressed in the words "ich habe nur eine passion, die ist Er, nur Er" (I have only

one passion. This is Jesus, He alone) characterised Naude in everything he pursued.

If only the word of God's reconciliation of sinners, with Himself and with one another, could be the basis of the ordering of South African society, our future would be one of light, not darkness.

After his farewell sermon, delivered in the Aasvoelkop Dutch Reformed Church based on Acts 5:29 — "We must obey God rather than men" — he assumed duty as the director of the Christian Institute of Southern Africa.

With much confidence and enthusiasm he was surrounded by a great "cloud of witnesses", men and women, among them many Dutch Reformed ministers, who had pledged their support and co-operation.

Rumours of the possible establishment of an "opposition" church were completely unfounded. The "cloud of witnesses" was committed exclusively to the existing churches, particularly the Afrikaans churches of the Reformed family.

Beyers Naude is, above all, a man of prayer. Through the study of the Word of God and prayer and through a witness to the churches about the will of the God of Love and Reconciliation for all people in South Africa, the Christian Institute — not the individual Beyers Naude — was meant to make a contribution to a radical reappraisal of the "non-negotiable" factors which the Afrikaner churches, in particular, considered essential for their own survival and the survival of Christian values.

This contribution, it was hoped, would be made within the churches, in such an indubitably evangelical manner and so completely in accordance with the principles of Reformed faith that, far from being rejected, it would irresistibly, in a natural and organic way, be reassimilated by the churches as its own inalienable witness to the South African community and its leaders.

Beyers Naude made one big mistake — though it is the most forgivable mistake that can be made by any Christian. "Put not your trust in princes," says the psalmist, "in a son of

man in whom there is no help (Psalm 146:3)."

His initial supporters disappeared like the disciples of Jesus when He was led to be crucified. But, for Beyers Naude there was no return.

One wonders what the present situation in South Africa, both in the church, particularly the Dutch Reformed Church and on the political scene, would have been if the Christian Institute was not deserted by its Reformed supporters.

How different might things have been had it been allowed to develop and grow without being smeared as a crypto-communist nest of mischief.

I would venture to guess that the political "conversion" of which we now see promising signs, would have happened much sooner and that by now it would have progressed much further.

I am convinced, however, that Beyers Naude was basically right. If his initial purposes were not so deplorably defeated by unreasonable prejudice and hostility, by a denial and a betrayal similar to that which Jesus himself had

suffered, both he and the Dutch Reformed Church — and our country — would not have been subjected to such shameful humiliation, to so much suspicion, to things that cause so much hurt to all South Africans.

Naude's return to normal life, to freedom of movement and speech, should be seen as an opportunity by the church to make use of his uncontestable gifts of leadership, persuasiveness and eloquence in order to restore the church to a position from where it can resume its responsibility and relevance as an indispensable determining power for the future of South Africa.

His age has not yet disabled him as a sage. His spiritual home remains the Dutch Reformed Church.

This church has a duty towards Beyers Naude, which it cannot neglect — a duty not only of welcoming him back to its fold and to its rank of minister of the gospel.

It should also give him the opportunity, which he always so passionately desired, to speak to his own church. By doing this it can lose nothing. It can only gain enormously.

'THUNDER CHARIOT' EXERCISE CRITIQUED

Cape Town THE CAPE TIMES in English 19 Sep 84 p 10

[Article by Willen Steenkamp in his "On Parade" column: "After Thunder Chariot..."]

[Text]

EXERCISE Thunder Chariot is history. The tumult and the shouting has died away (if I may paraphrase Kipling) and the captains and the kings have long since departed from the special vantage point from which they watched part of the exercise.

Only two things remain: The return of the troops involved (watch for announcements in the press in the next couple of days) and the answering of the questions which have flowed from the heated debate started by Thunder Chariot.

It is tempting simply to write it off as an exercise in Nkrumahism by the government, but in all honesty the issue is not as simple as that.

Let us look at the main points...

What did it consist of?

First, a week of training for the leader group. Then a period of training for the main body of troops and the leader group. Finally, the exercise itself, with various units attacking mock-up objectives.

Was it necessary?

There is no doubt that some sort of exercise was necessary. The formations involved in Thunder Chariot were those of the conventional forces and, past a certain stage, there is no substitute for actual practice in the field.

Take one of the formations concerned, Cape Town's 71 Motorized Brigade. The brigade has not had a field exercise since 1981. Since that time two of its main fighting regiments have acquired new commanding officers and a third recently joined the brigade after a decade of practising the very different skills of counter-insurgency warfare.

The brigade has also acquired a new commander and the brigade staff has seen an almost total turnover. The same applies to 7 Infantry Division, the higher headquarters.

Now, all these people can hold as many Tews (Tactical Exercises Without Troops) as they like, but at a certain stage they must actually manoeuvre soldiers on the ground. It is senseless to maintain an expensive conventional force if these intricate battle skills are not acquired or practised.

Could it have been done more cheaply?

Yes — in one of two ways: By reducing the number of formations involved, or by restricting the scope of the exercise. The powers-that-be decided against this for various reasons, so please take it up with them and not with me.

The official viewpoint, as expressed in an address to the participants by the Chief of the

Army, Lieutenant-General Jan Geldenhuys, was that in fact the amount spent was no larger than it would have been anyway — all that happened was that various smaller exercises had been consolidated into one large show.

Did it cost a lot of money?

Thunder Chariot cost a whack of money, all right. Judging from all the thunder and lightning unleashed, the quartermasters must have been lighting their cigars with ammunition returns. In addition, huge amounts were spent on feeding, paying and fuelling the thousands of men and vehicles involved.

No doubt the case could be made that dry runs or occasional poop-offs are not enough, and that sooner or later one has to fire one's weapons in an approximation of real conditions.

Ulterior motives.

Only a fool would believe that Thunder Chariot was concerned merely with practising battle handling. The hoop-la that surrounded it was obviously laid on with the purpose of impressing someone or some people somewhere — although precisely who or what I do not know.

Where one aspect ended and the other began was not always easy to divine. One thing is sure, however — the Army was so hell-bent on making sure that everything went without a hitch that the rehearsals were

the most intensive that any of the participants could remember.

Was it worth it?

This is subjective, of course, since one cannot measure the benefits in tangible terms.

From personal observation I can say with certainty that leaders at lower levels — battalion and company level — certainly learnt a great deal.

People tend to forget that the conventional forces consist almost entirely of part-time soldiers who have to be evaluated on how they perform under field conditions and it is a fact that the place swarmed with evaluators.

The higher commanders also had the opportunity of trying out various new systems they had dreamt up since 1981, which looked fine on paper but could not be finally evaluated until they had been put to the test.

Some of these systems worked and others developed hiccups — a new logistic set-up, for example, fell prey to documentary constipation and resulted in considerable belt-tightening at one stage. This resulted in powerful recriminations and a large-scale rethink.

So there are the two sides of the coin. Spin it and take your choice. If you come to the conclusion that Thunder Chariot was a waste of time and money, kindly don't shoot this pianoplayer.

BOPHUTHATSWANA DEFENSE FORCE DESCRIBED

Johannesburg ARMED FORCES in English Sep 84 pp 18-20

[Text] In 1977 the new State of Bophuthatswana asked the South African Government for assistance in the formation of what was to be a National Guard of approximately company strength. Initially the Guard was envisaged as a Ceremonial unit that would also be able to display a military presence whenever the need arose. Two years later the Bophuthatswana government took the decision to create a defence force with the National Guard forming the core and requested additional assistance from the South African Government in the form seconded personnel. At the time it was agreed that the seconded personnel would be on a percentage figure basis formula with an increasing reduction every year as their functions were taken over by trained Bophuthatswana citizens. At present the percentage of seconded personnel is well below this agreed original formula.

The Bophuthatswana Defence Force (BDF) is best described as a self contained Force with its Headquarters Supporting and Training elements at Mmabatho while self-supporting formations are at present at two other bases. These two bases, one at Molopo and one at Mankwe each hold an infantry group with the necessary support elements.

The planning for the establishment of a third base at Thaba Nchu is well advanced and this will be done as soon as conditions permit.

As a fully volunteer force the BDF starts off with a major advantage and any call for recruits is usually met with five times the number of applicants that are required. It is interesting to note that in the few years of its existence the Defence Force has come to be accepted as a prestigious organisation by all sections and strata of the countries population. Unfortunately this is not always the case in Third World States where often a number of inherent factors have tended to give the armies everlasting birth pains. Another factor which becomes very apparent when talking to the senior BDF members is that they are of the opinion that there is no such thing as an instant soldier. They accept and emphasize that the prime requirements for any military advancement is knowledge and that this is only obtainable through experience and training.

The Military School of the BDF covers all the necessary aspects of training and instruction and its courses range from two to fourteen weeks duration. The school is the 'fountain of knowledge' of the BDF and is able to cope with all the present training requirements and promotion courses.

The Air Wing is a recent development of the BDF and the small well balanced force is designed primarily to meet the logistical requirements of the army in this very fragmented country. At present the Air Wing operates Alouette helicopters, helio Couriers and Partenovia aircraft. An order has been placed for light transport aircraft which will greatly increase the carrying capacity of the Air Wing. The BDF uses its aircraft for a number of roles and they are on call for other government departments and Casevac missions. Militarily they provide a fast link between the existing BDF bases and are used to 'show the flag' in other parts of the country. Their addition to the BDF has greatly increased the effectiveness of this small force, specially as far as transportation and logistics are concerned. Reconnaissance and the participation in training exercises is another direction in which the value of the availability of an air element has been proved and the addition of the Air Wing has greatly expanded the overall capability of the BDF.

The Defence Force is based on a large Infantry Battalion and various self-contained infantry Company Groups. This force is supported by a maintenance Unit and a Technical Service unit.

The Technical Service Unit consists of 4 Companies: Technical Company that maintains and services the BDFs transport and looks after any other requirements of a mechanical nature. In addition the company has a section for weapon repair and maintenance. Like the other companies of the Technical Service Unit the company has a training programme for apprentices and is designed to render assistance to other Bophuthatswana Government Departments.

Construction Company that is equipped with heavy construction and earth moving equipment and is in reality an Engineering unit. The company recently laid 185 kilometers of water piping for one of the Departments of State as part of the drought relief programmes.

Agricultural Company which is equipped with agricultural machinery. This unit maintains water points for the farming community and assists with the breaking of new land for agricultural purposes. The normal small farmer just does not have the capability that is available from the heavier equipment of this Company and this, coupled with the advice available from the unit enables development to be undertaken beyond the ability of the farmer. Like the other companies of this unit this outside work forms a part of the BDF civic action programme and is one of the factors that has established the BDF with the population.

Building Company that looks after many of the building requirements of the BDF. This Company plans an important role in the training of building artisans.

To briefly sum-up the BDF.

It is one of the new armies of the developing States of Southern Africa that has its feet firmly on the ground with members that have tasked themselves with the primary objective of following the correct, if sometimes long, road to become Professional Soldiers. As a BDF major said, "I must know my job before I can accept it."

[Photo caption] Senior members of the BDF from left to right: Major A.R. Kobedi joined the Bophuthatswana National Guard in 1977 as a recruit. He has since obtained a degree in Law and now holds the position of Legal Officer of the BDF. The head of Public Relations for the BDF is captain R.G. Moiloa. He is tasked with the care of visitors and the production of Nkwe (Leopard) the BDF's hournal. Captain A.R. Mokonoto is acting Company Commander of one of the Independent Company Groups during our visit and it was the men and vehicles of his company who are photographed while on patrol. Captain Mokonoto has had 6 years service with the BDF and is 26 years of age. The Senior NCO of the BDF is WO1 K.G. Phuduhudu who was a member of the National Guard, the forerunner of the BDF. He is a man who is obviously in control of the situation. Members of the BDF are very prompt in paying and returning compliments, according to the Sergeant Major they like paying compliments.

CSO: 3400/53

IMPACT OF DEFENSE BUDGET CUTS PREDICTED

Johannesburg RAND DAILY MAIL in English 22 Sep 84 p 1

[Article by Gavin Evans]

[Text] Thousands of members of the SADF Citizen Force and commando units can expect relief from their camps and other duties as a result of a R180-million cut in the Defence Budget announced earlier.

However, the cut brings an additional burden for national servicemen, whose border spells will now increase from three to six months stints, it was learnt last night.

The Minister of Defence, General Magnus Malan, said in a statement that as a result of the Defence Budget cut some of the tasks previously handled by Citizen Force and commando units had been re-allocated to Permanent Force and National Service units.

One of the emergency measures to be introduced by the SADF will be the extension of border duty for national servicemen and full-time personnel from three to six months.

In the past, most National Servicemen were required to spend three month periods on the border, although this was not always the case.

With the implementation of Gen Malan's announcement, which comes into immediate effect, servicemen will have to serve six-month stints on the Border.

Gen Malan said the moves would reduce the costs of the Citizen Force administration, transport and pay.

National servicemen will also take over tasks previously fulfilled by Citizen Force and commando units.

Another implication of the cut was that only essential Permanent Force vacancies would be filled and transfers would be kept to a minimum.

"Non-essential projects have either been cancelled or postponed until the economic climate improves," Gen Malan said in a statement released to Sapa.

Gen Malan added that a large saving had also been brought about as a result of stock levels of reserve items and spares being reduced.

The statement said the Defence Budget cut had not been the result of the ANC and Swapo relaxing their terror campaigns.

Gen Malan's statement follows the announcement on Thursday by the Minister of Finance, Mr Barend du Plessis, that the Government was to increase efforts to minimise spending, and that R180m and R100m would be cut from Defence and Foreign Affairs respectively.

Mr du Plessis also said the Government would improve the monitoring of spending and reduce inflation to about 10% next year.

Gen Malan yesterday told the Afrikaans newspaper, Beeld, that there was no foundation to rumours that the period of national service was to be reduced from two years to 18 months.

There was no question of reducing the period as part of the saving programme, he added.

Training programmes, Gen Malan said, would be restricted to the absolute minimum.

CSO: 3400/53

BANNING NOT SUCCESSFUL WEAPON

Johannesburg THE STAR in English 29 Sep 84 p 6

[Article by Carolyn Dempster]

[Text]

Thursday was one day in the life of the Rev Beyers Naude. But it was no ordinary day.

Summer sun streamed through the blinds of the small house in Hoylake Road, Green-side, beckoning a steady flow of visitors, friends and journalists across the threshold.

For the first time in seven years, the outcast of Afrikanerdom — confined, silenced and stripped of human rights for so long — could once again speak out and be heard.

UNDERSTAND

"I would be dishonest if I did not say that at times I felt deep anger and frustration.

"I love to associate with people, share their views, wishes and ideas — to try to understand what people are trying to portray and convey," said the soft-spoken minister who has twice suffered the blow of banning orders, the first time in 1977 when the Christian Institute was banned together with 11 other Black Consciousness organisations, *The World* newspaper and *Weekend World*.

"For the first five years it was tremendously frustrating. How I maintained interest in my life and complied with my banning order became a constant conflict."

To guard against the corroding of his views and inner resolve he appealed to his wife Ilse.

"I said: 'Ilse, you must be my watchdog. When you discover in any tone of my voice or attitude a reflection of vindictiveness or bitterness, you must tell me.' And make no mistake — she did," he laughed.

Fortified by an inner spiritual faith and the support of his family, church and friends, Dr Naude emerged from his seven-year ban this week relatively unscathed.

"Banning is effective in silencing people for a short period of time, but politically it is counter-productive.

"My convictions have grown and my depth in understanding. I have watched it in other people as well. Banning is not a successful weapon in silencing opposition or creating desired viewpoints."

The most painful facet of Dr Naude's banning order came when his children returned home with their friends and the process of explanation began.

"I would have to remove myself from their company and that hurt."

What also hurt was not being able to go out together with his wife in the company of other

people, to travel and mingle with people, to share and interpret views.

His humanitarian trip to Durban to give support to the consulate six this week was in itself a novel experience.

"The Government may interpret my going down to Durban as a wish to embarrass or provoke the authorities, but they are very wrong. My first thought was humanitarian. I feel that I will never feel free in the real sense of the word until other banned or detained people also enjoy the same freedom."

Seemingly undaunted by his years of ostracism and exclusion, Dr Naude is fully prepared to take up where he left off.

"I don't see my contribution on a political level, but on the

level of the church — the contribution the church has to make in order to make politics more just and more meaningful.

"I understand the feelings of the Afrikaner people and, although I am seen as a traitor to their cause, I must not let that prevent me from responding positively to any plea from the Afrikaner community."

Now in a position where he can fully reassert his rights to freedom of speech and association, not even the fear or possibility of re-banning mars the energy, optimism and enthusiasm of Dr Beyers Naude.

"I cannot allow this to force me to withdraw or stop me from expressing my convictions."

CSO: 3400/53

ARMS DEALING INCIDENT SPOTLIGHTED

Johannesburg THE SUNDAY STAR in English 30 Sep 84 p 38

[Article by Graham Ferreira]

[Text]

WHEN four middle-aged South African businessmen went on an alleged arms-buying trip to Britain, they stepped into a world most people believe exists only in the minds of novelists like Frederick Forsythe.

But there was nothing fictitious about the burly customs and excise policemen who were waiting for them at their hotel, shortly after they had been cleared through Heathrow Airport.

Nor was there anything fictitious about the knife which ended the life of arms smuggler John Longstaff, who was recently found with his throat cut in the toilet of a British Airways jumbo.

MURDERED

It is generally believed in international arms circles that Longstaff was murdered by Israeli secret service men. It is believed he double-crossed Israel and, after procuring arms and ammunitions with Israeli funds, resold the equipment to the Arab bloc.

It is also believed he was in possession of highly secret information about a new Israeli machinegun. The coroner returned a verdict of suicide, but there were far easier means available to Longstaff if he had wished to end his own life.

Arms sanctions by one country or group of countries against another is commonplace. But the production of arms and armaments is a major industry in many of the world's leading industrial nations. The weaponry is produced and it must be sold — and that's where the cloak-and-dagger operators take over.

Recently I interviewed an undercover arms smuggler who has set up many clandestine deals with several Western governments, including South Africa. He explained in detail how illegal weapons are smuggled.

"If one country wants to buy arms from another country, but is prevented from doing so by an embargo, a front company is set up in a third country which is not on the embargo list.

"In order to export arms, the country of manufacture needs what is called an end-user certificate. It is possible to buy false end-user certificates in London for about \$1 000 (R1 600) from certain embassy officials. The false certificate would bear the name of the front company.

PERMIT

"Once the dealer has the end-user certificate he goes to the

government of the manufacturer and gets a legal export permit.

"The arms are loaded on to a ship which is scheduled to sail to the country for which the false end-user certificate was issued. Once at sea, the ship changes course, dumps the false papers and the ship discharges its cargo in the embargoed country."

If this is what Hendrik Botha, Stephanus Jager, Jacobus le Grange and William Metelkamp were in any way attempting, the deal went sour. Were they to appear in court in Coventry and the charges fully proved, then the prospect of jail sentences would hang heavy.

Supposing the four men were on South African Government business, then another question arises: Would the South Africans simply let their "agents" stay in jail? The official stance is that the men would have to stand trial, and South Africa would try every means at its disposal to get them deported instead of jailed if they were found guilty.

This week the Media Liaison

Officer for the Department of Foreign Affairs, Mr Carel Wessels, said the independent judiciary in the UK made it impossible to work out a diplomatic solution to the problem.

"They would have had to stand trial, and if they were sentenced to prison we would have been powerless to help," he said.

Now Andre Pelzer of the South African Embassy in London will have to go back to Britain on October 22 and explain to the court why his personal assurances that the four would stand trial are not being honoured. He is also going to ask for the return of the R360 000 bail which the South African Government put up.

REPRISAL

"As far as we are concerned Britain contravened the Vienna Convention governing diplomatic behaviour by allowing the six Indian leaders to stay in the British Consulate in Durban.

"This sort of reprisal is a

tried and tested way to register objection to such an infringement of diplomatic law," said Mr Wessels.

"And if the British say they were protecting the six Indian leaders from laws with which they don't agree, we could argue that we don't agree with the laws which prohibit arms being sold to South Africa."

But legal expert Dr Anthea Jeffrey disagrees.

"You can't compare the two. The South Africans were to be given a fair trial in an open court, the Indian leaders are to be banned without trial, and as some of them are lawyers this affects their whole life.

"It is very questionable whether any international law has been contravened by Britain allowing the six to stay in the consulate. They have not actually actively interceded on behalf of the six, they have simply omitted to evict them. It is doubtful whether an omission can be construed as breaking the law in this case."

SQUATTERS STONE POLICE AFTER DEMOLITION RAID

Johannesburg RAND DAILY MAIL in English 28 Sep 84 p 6

[Text] Cape Town--Scores of Nyanga Extension youths hurled stones at a retreating convoy of police and Western Cape Development Board (WCDB) vehicles yesterday after board inspectors had arrested eight people and demolished about 70 shacks on open ground near the camp.

The convoy, consisting of about three WCDB vehicles, a police Casspir armoured car, three police vans and a police van mounted with a sneeze-machine, ignored the hail of stones, leaving the camp at about 10.45 am.

In a separate incident earlier, seven people were arrested for trespassing on the nearby Portland Cement premises, said Captain Gerhard van Rooyen, police liaison officer for the Western Cape.

A man claiming to be a member of the Nyanga Extension Committee, Mr Headman Philip, said the shacks had been erected on Monday after Mr Timo Bezuidenhoud, the director of the WCDB, promised them an undisturbed stay until the end of this month.

Mr Philip said that at a meeting with Mr Bezuidenhoud on September 12, his group had been told to wait until the end of the month to "hear of the Government's decision about Crossroads."

Mr Bezuidenhoud, however, denied having made any promises to the group and denied knowing a Mr Headman Philip. He said the demolitions would continue.

"The raid was carried out on my orders because they were squatting on open ground between the board offices and the main camp. These are people I don't know--anyway, I wouldn't be fool enough to make such a guarantee.

"As far as the Cathedral and Sand Dune squatters are concerned, they were given ground after Dr Koornhof said they needed more living room, and 120 structures were allowed in a specific area," he said.

CSO: 3400/53

SWARTKOPS WORKSHOPS TO REPAIR MOZAMBIKAN LOCOMOTIVES

Port Elizabeth WEEKEND POST in English 15 Sep 84 p 1

[Text] The SA Railways workshops at Swartkops may play a vital role in the new spirit of accord which the Government is pursuing with South Africa's neighbours.

This was revealed to BUSINESS POST this week by Mr Danie Radyn, assistant general manager (operating) of SA Transport Services, who said six diesel locomotives of the Mozambican national railways (DNPFC) were in South Africa for repairs by SATS.

The locomotives arrived at Komatipoort on Tuesday night.

After repairs to badly-damaged bodywork in SAR's Bloemfontein yards (the locomotives are victims of guerilla sabotage and bombings in Mozambique's northern provinces), the locomotives will be transported to either Bellville or Port Elizabeth for the necessary mechanical repairs.

The SATS agreement to conduct the repairs follows a recent visit to Mozambique by a delegation led by Transport Minister Mr Hendrik Shoeman, and a return visit to South Africa by the director of DNPFC, Mr Ferreira Mendes.

"The agreement should very definitely be seen in the light of the new spirit of accord which the South African Government is pursuing," said Mr Radyn.

"I accompanied the SA delegation to Maputo and went prepared to provide on loan to the Mozambicans a number of locomotives--because although communications are not too good between us it was apparent that they are having trouble, either with staff, locomotives or fuel.

But the offer to lend locomotives (several of which would have been prepared by the PE workshops) was turned down by the Mozambican authorities, who asked instead for their own locomotives to be repaired.

"Since the SA Government has made a large grant available to Mozambique for paying for such work, SATS has agreed to assisting in several ways--including the service of Bulgarian locomotives due for major 10 000-hour maintenance services, and civil works to central marshalling yards in Maputo."

CSO: 3400/53

GANDHI GRANDDAUGHTER FIGHTS SLUMS

Johannesburg RAND DAILY MAIL in English 28 Sep 84 p 11

[Article by Victor Mallet]

[Text]

NOT far from luxurious "whites-only" beach resorts north of Durban, a settlement founded by Indian leader Mahatma Gandhi at the turn of the century serves the sprawling inland slums of thousands of blacks and Indians.

The Phoenix settlement, now run by Gandhi's granddaughter, Mrs Ela Ramgobin, has changed from a self-help community farm for Indians into an organisation which aids the teeming local population by distributing food and providing a clinic.

A library and a museum stand in memory of the late Gandhi.

"His idea was to have a settlement of people who would eventually move into a campaign to get freedom for the country," said Mrs Ramgobin, 43.

"He thought that if people live here and they are self-sufficient, they can't be intimidated by the laws of the nation," she said.

Ghandi reasoned that if those resisting the government and its apartheid policies of racial separation were jailed, their families would be cared for on the settlement.

"He was very gentle and very jovial, too," said Mrs

Ramgobin of Gandhi. "I've not seen him angry ... I used to write to him when I had squabbles with my parents."

After marches and campaigns to help Indians, many of them imported to work on the Natal sugarcane fields, Gandhi left for India in 1914 to pursue his dream of the country's independence.

"For a while the settlement continued, then many of the people left ... We didn't have the kind of leadership that Gandhi could give," said his granddaughter regretfully.

On the community farm, all were paid equal wages and many worked on the "Indian Opinion" newspaper which was produced there but has now closed down.

Now Mrs Ramgobin and her husband, Mewa, are officials of the anti-government Natal Indian Congress started by Gandhi.

In the past both have been "banned" by the authorities, a punishment to restrict the movements of the banned person and the number of people he or she may be with at any one time.

Gandhi, said Mrs Ramgobin, fought his battle for South Africa's Indian minority — now numbering nearly 900 000 — more than

for its black majority.

She says she is now pursuing a policy of reaching out into the African and Indian community to help the poor.

Mrs Ramgobin can be seen taking food to nurseries while volunteer doctors treat patients at the clinic.

The operation is funded by a trust, the State, a local university and individuals.

"There is absolute poverty here, terrible conditions," she said. "Many of the people who live here are people who have been displaced from other areas."

Mrs Ramgobin said that under apartheid policies, Indian landlords are being forced to evict their African tenants.

Meanwhile, water is the worst problem for the estimated 300 000 people in the district, who form long bucket-carrying queues to collect their water from tanks.

The authorities have installed taps all over the area, but at present the taps are locked up in tin huts. Mrs Ramgobin believes they are trying to find traders to sell the tap-water.

"It must be the first country in the world to lock up its taps," she said.

"We've complained about the water for ages. There's been typhoid outbreaks and cholera outbreaks."

CONSEQUENCES OF HARBORING DETAINEES DISCUSSED

Johannesburg SUNDAY TIMES in English 30 Sep 84 p 35

[Article by Brian Pottinger]

[Text]

WHEN the newly appointed British ambassador, Mr Patrick Moberly, arrives in South Africa two weeks hence, he will be stepping from the warm Israeli sunshine into a diplomatic freeze.

Anglo-South African relations — a mercurial affair at the best of times — are now their chilliest since South Africa took herself out of the Commonwealth 23 years ago.

And what makes the situation even more remarkable is that the new low-point has been reached only months after relations had taken an upward swing following the face-to-face encounter between Mr P W Botha and Margaret Thatcher at Chequers.

A thumbnail sketch of Anglo-South African relations over the last 20 years shows that frosty exchanges and huffy silences between London and Pretoria are not new — indeed they seem part of the traditional argot of two countries closely bound by history but often sharply divided in perceptions.

In February 1960 British Prime Minister Harold Macmillan made his famous "Winds of Change" speech to the South African Parliament. Just over a year later, the South African Government moved to withdraw its application for continued membership of the Commonwealth.

The rupture of the bonds of Commonwealth inevitably resulted in progressively cooling relations between London and Pretoria which were both busy addressing different concerns —

the South African Government its domestic constituency and the British safeguarding their flank in the emerging Third World.

Contention

From 1963 onwards the points of contention between South Africa and Britain grew in intensity. Harold Wilson's Labour Government endorsed the UN's voluntary arms embargo against South Africa.

A year later — with Rhodesian UDI — the South African Government made it clear to the Wilson administration that it could expect little help from South Africa in its embargo tactics against the Smith regime although it would remain rigorously "neutral" in the dispute.

It led to a further curdling in relations.

The election of Prime Minister B J Vorster gave both a push — and some set-backs — to the bumpy course of Anglo-South African relations. Whitehall welcomed his international pragmatism and domestic flexibility, rejected his iron-handed methods internally but were encouraged by his efforts at negotiating an end to the Rhodesian dispute.

Not cricket

One of the first major set-backs was the decision of the South African Government — despite a new sports policy — to refuse permission to an MCC team because it had a black member. For the British it was definitely not cricket.

But much was forgiven when Mr Vorster threw his weight behind efforts by US Secretary of State Dr Henry Kissinger to force Ian Smith to accept the inevitability of black rule in Rhodesia. The withdrawal of South African para-military police from Rhodesia was part of that process.

Relations, however, soon returned to the frosty. In 1977 the Commonwealth accepted the *Glen-eagles Agreement*. British governments were committed to discouraging sporting links with South Africa.

Attempts by successive British governments — even Conservative ones — to keep to the terms of the agreement have become an enduring source of friction between London and Pretoria.

Ambiguous

The 1980s — the advent of the Conservative Government in Britain and the style of P W Botha — led to a remarkably ambiguous set of relationships with Britain.

On the one hand trade links stood as firm as ever. On the other sports isolation remained a tenet of the Thatcher Government. South African cross-border military escapades were condemned — through endorsement of UN resolutions as well — but the British Government remained loyal to the United States efforts at resolving the Namibian debacle through "constructive engagement".

Occasionally, however, the ambiguities overflowed. It happened during the Falklands War. Britain believed South Africa was continuing to supply Argentina with munitions and brought its massive pressure to bear.

Pretoria — forced to abandon a long tradition of never commenting on its foreign arms dealings — denied the main charges. And has never forgiven London for embarrassing it.

But if one year in the continuum from 1961 until the present were to be nominated as "The Year Which Says It All", it would have to be 1984.

It started last year with a cluster of events that riled Pretoria.

There was the "Lloyd Letter". A Conservative backbencher wrote to Mrs Thatcher asking for a review of UK sports policy. In a reply — made public by Lloyd — Mrs Thatcher said the South African Government's domestic policies

were the underlying cause of tension in the region and presented opportunities for Soviet meddling.

An outraged response from Foreign Minister Pik Botha — on the referendum trail at the time — helped turn the diplomatic thermostat nearer to freezing point.

Then London proved most uncooperative about an international attempt by South African missions to get host countries to close the doors on the African National Congress, a situation not helped by the British ambassador, Ewan Fergusson's bluff handling of an intensely delicate issue.

Indecent

He left South Africa shortly afterwards and it is his position that Mr Moberly is coming to fill.

Soon after there was the BBC-Marais fight; nothing really new except that the then-South African ambassador said recent BBC programmes on South Africa had been "beyond the pale".

And finally, running beneath the surface, there was the Zola Budd story. Strictly speaking, the diminutive South African's decision to become British — and the almost indecent haste with which the British accomplished it — had nothing to do with foreign relations. But it rankled.

By early this year, relations between South Africa and Britain had moved from the merely chilly to the icy.

The announcement that Mr Botha would be seeing Mrs Thatcher on his Prime Ministerial European diplo-safari in May astonished — not least of all because the indications had been that he was to be pointedly ignored on the trip.

But take place it did — at Chequers on a June day where the Prime Minister arrived for lunch, stayed for tea and was afterwards personally escorted to his helicopter by Mrs Thatcher, despite warnings by husband Denis that she would catch a chill outside in her light summer frock.

It was all very heartening and in public and private statements afterwards the then Prime Minister Botha and Foreign Minister Botha were almost — but not quite — effusive about the benefits of the talk and the warmth of their reception. The British Foreign Office obviously had a slightly different

slant but the basic elements remained the same — it had been a worthwhile visit contributing to "better understanding".

Embarrassment

The fragility of that "understanding" was to be revealed dramatically four months later in the consulate sit-in in Durban.

It became an impasse which was more an embarrassment to Britain than to South Africa — after the low election polls, pre-election detentions and violence at the polling stations there was hardly anything which could have embarrassed Pretoria further.

At first, Foreign Affairs sources were remarkably sanguine about the dilemma. The British had promised not to act as intermediaries and were thus acting "impeccably".

Besides, as one senior Foreign Affairs source said, the would-be detainees were still being detained; inside the British consulate.

Meanwhile, the detainees' representatives in Britain were reportedly irritating the Foreign Office to death with their "ultimatums". The mere fact that they had such freedom of movement seemed to imply a contradiction of the very image of domestic repression associated with South Africa.

Impatient

The sanguinity was dramatically broken later in the week. Some Cabinet members, reportedly including President Botha, became impatient with the impasse and demanded quick action.

The astonishingly ill-judged response — breaking a solemn commitment to a British court by refusing to return four bailed alleged arms dealers — has now brought relations to the lowest point since 1961 and in a single sweep blown the gains of Chequers out of the window.

It has also brought into question something infinitely more valuable — South Africa's generally untarnished reputation in the international community that its word is indeed its bond.

Whatever resolution awaits — voluntary surrender by the six, closing down of the consulate, withdrawal of detention orders — the damage to always-sensitive Anglo-South African relations has been enormous. Perhaps permanent.

ACID RAIN MAY PUSH UP COST OF POWER

Johannesburg SUNDAY TIMES in English 30 Sep 84 p 10

[Article by Roy Bennetts]

[Text] The threat of substantial increase in the cost of electricity to the consumer hangs over Escom in the form of a sulphuric cloud.

The warning bells of the danger of 'acid rain' began ringing in South Africa some 4 years ago, following a research programme in America, which appeared to prove that a highly corrosive property was being produced in the atmosphere by the burning of coal containing sulphur.

Evidence of sulphur dioxide being produced from coal burning power stations appeared to be somewhat confused and inconclusive, to the extent that the Reagan Administration in America has at present curtailed plans to totally embrace an acid rain programme, but has granted an increase to the present research programme that will double its figure to \$55,5-million in 1985.

Environmental research into the possible hazards of waste dumps will absorb R410-million with an additional \$50-million to be requested.

In South Africa, Escom pioneered an acid rain research programme some 3 years ago, with R3-million being spent on the establishment of 5 monitoring stations to cover a 160 km range in the Tranvaal highveld.

It is estimated that the equipping of a major coal burning power station with a lime filtration unit to prevent sulphur dioxide being released into the atmosphere would cost in the region of R250- to R300-million a station.

This figure, plus the operating costs, would increase the price of electricity per kilo watt/hour by 16%.

Escom is at present pursuing research into possible alternative methods of decreasing sulphur dioxide released into the atmosphere in an attempt to minimise additional costs. Perversely it is the drought situation of the past 3 years that has delayed this research.

Insufficient rain water has been captured to provide a clear picture as to the true catalyst of acid rain. A specially equipped aircraft is being used as a flying laboratory, but while this extreme has produced some meaningful results, the total situation remains inconclusive.

A Major 3 600 MW power station such as Duvha, or Matla, burns 30 000 tons of coal a day and will release some 43 000 tons of pollutants into the atmosphere. Including carbon and sulphur dioxides, nitrogen and trace elements of mercury and arsenic.

All the major power station are now equipped with 98 to 99% efficient electrostatic percipitators at a cost of R100-million a station.

In 1983 Escom burnt 55-million tons of low grade, low sulphur, coal at a cost of R726,5-million. This figure includes the cost of oil as the ignition agent. The cost of upgrading the quality of coal used would add R12 to the price of a ton, producing a price of R54 a ton.

This additional 28% cost would again have to be passed on to the consumer, again raising the price of electricity used. The only possible chance of relief would be proof that the acidity level in the water table was caused by seepage from waste dumps and not from the burning of coal.

CSO: 3400/53

DAILY NEWS GAINS NEW READERS

Durban THE DAILY NEWS in English 21 Sep 84 p 1

[Text]

A MASSIVE 80 000 new readers a day — enough to fill King's Park rugby stadium twice over — have been gained by The Daily News, according to the authoritative 1984 All Media and Products Survey (Amps) released yesterday.

This 19,4 percent increase in total readership over the 1983 figure compares with zero growth in total readership of the area's morning newspaper, the Natal Mercury.

The gain means that a total of just under half a million people (492 000) now read The Daily News each day, compared with 412 000 who read The Daily News in 1983.

By contrast, the Natal Mercury still reaches 331 000 — the same figure as in 1983.

The survey shows a strong surge in readership of The Daily News, both within the metropolitan area (72 000

more readers) and outside the metropolitan area (8 000 more readers).

There has been heavy growth in white, Asian and black sectors — and white metropolitan readership has surged past that of the Natal Mercury.

Mr Steve Nortje, circulation manager of The Daily News, said the Amps figures coincided with much better circulation achieved in the core metropolitan area during the first six months of 1984.

Audited circulation figures for this period (compared with the second half of 1983) showed The Daily News had opened its circulation lead over the Natal Mercury in this area by another 5,9 percent.

During the six months to December 1983, The Daily News sold a daily average of 30 546 more papers than the Natal Mercury in the core metropolitan area. In the six months to June 1984 this lead widened to 32 343.

Mr Nortje said one of the main reasons for the good growth was a big subscription drive conducted by The Daily News this year. About 39 percent of total sales of The Daily News now are delivered to readers' homes.

The Amps survey shows that total white readership of The Daily News has increased by 22 percent and in the Durban metropolitan area The Daily News has gained 42 000 white readers a day.

In this area, 149 000 whites now read The Daily News, compared with 123 000 who read The Natal Mercury.

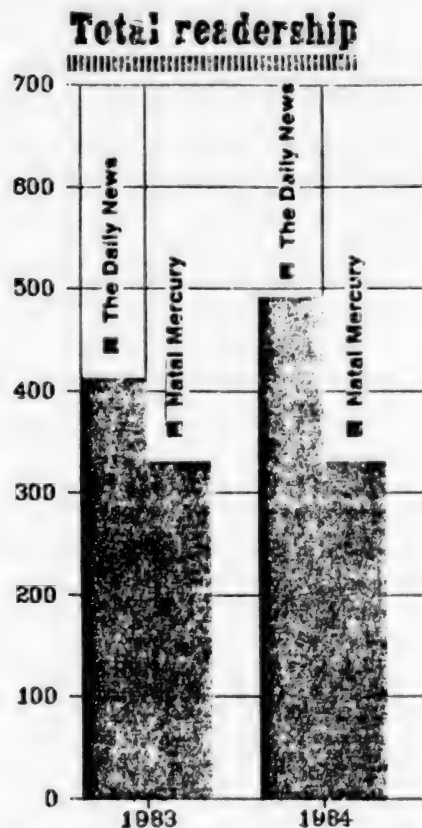
This is a reversal of the 1983 position when The Daily News trailed the Natal Mercury in this area.

In Natal The Daily News has gained more than 30 000 white readers to close the gap in overall white readership to within 1 000 of the Natal Mercury.

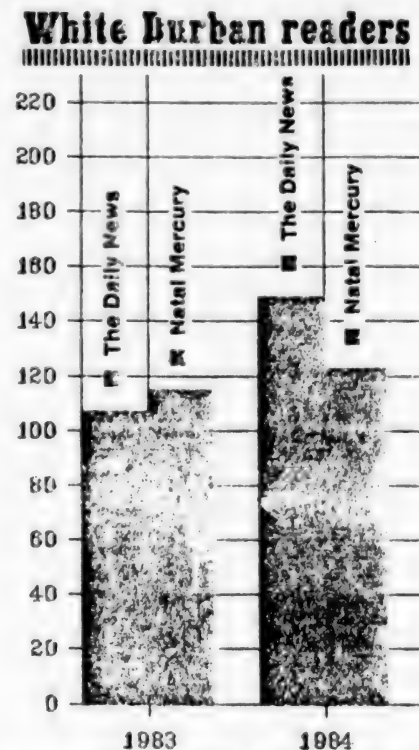
The Asian readership of The Daily News has grown by 16 percent. In metropolitan Durban, The Daily News every day reaches 31 000 more Asians than last year. A total of 176 000 Asians now read The Daily News--more than double the number who read the Natal Mercury.

Black readership of The Daily News has increased by 24 percent and now totals 93 000.

The Amps survey is conducted independently on behalf of the South African Advertising Research Foundation.



THE graph shows The Daily News moving from 412 000 to just under half-a-million readers a day, with the Natal Mercury showing no growth.



THIS graph shows how the Daily News has overtaken the Natal Mercury in the number of white readers in the Durban, reversing the 1983 position

POST READERSHIP FIGURES REPORTED

Durban POST NATAL in English 26-29 Sep 84 p 1

[Text] POST NATAL has gained a 32 000 new readers in the Durban area during the past year, according to the authoritative 1984 All Media and Products Survey (Amps), released last week.

The figure represents a growth of 22 percent and Post Natal now reaches 178 000 readers every week in Durban alone. POST Natal's growth is not only confined to Durban. The Amps figures show a gain of 36 000 new readers throughout Natal. This increase of 15 percent yields a total readership of 283 000, compared to 247 000 readers last year.

Countrywide, Post is now read by 306 000 people, compared to 293 000 in 1983.

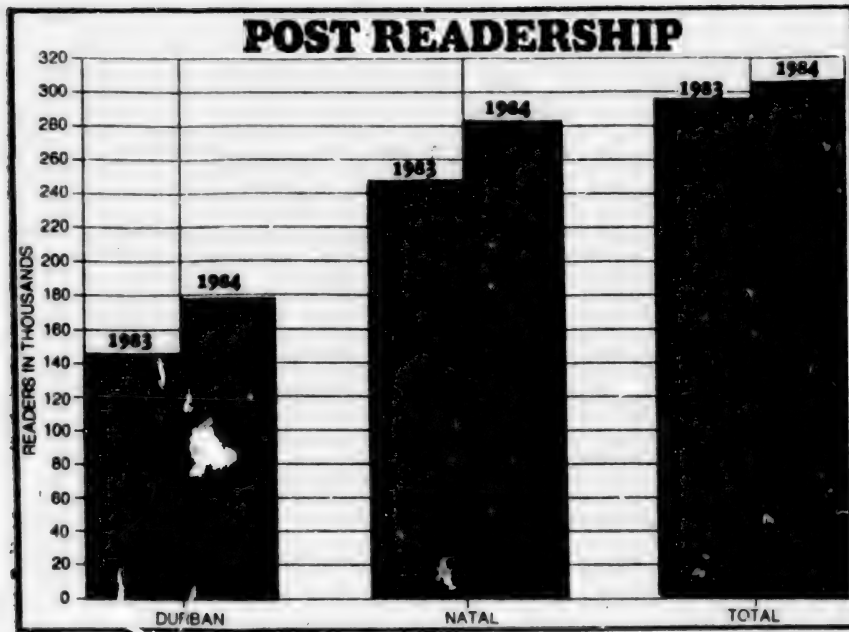
The phenomenal rise in Post readership shows that more and more people are now finding it an attractive buy.

Editor Mr David Wightman said: "We believe our improved image has a lot to do with it and that POST is becoming an important and much more acceptable newspaper in Durban and Natal.

"We believe our content is much improved and that the figures for next year will be even better."

Circulation manager Mr Steve Nortje said one of the main reasons for growth was that 9 000 copies weekly were now sold through subscriptions.

"This means that POST is now finding its way into many homes and is being accepted as a family newspaper. It is a shift in attitude from the past, and the trend is expected to grow."



CS0: 3400/53

BRIEFS

POLICE INVESTIGATIONS--The South African Police says police and Security Police will investigate any laws contravened, or indication that laws are being contravened, irrespective of employment or social standing. In response to reports that Security Police are involved in spying on civil servants opposed to the new multiracial Parliament, the SAP Directorate of Public Relations said: "The SA Police which includes the Security Branch, do not concern themselves with the lawful and democratic political expression and activity of any individual or organisation. "However, one of the functions of the SAP is the preservation of the internal security of the Republic. To assist the police in this task the legislature has promulgated certain laws. Were any one of these laws contravened, or should there be any indication of such an intention, the SAP has a duty to launch an investigation. "In such an instance, sphere of employment and social standing will not be a consideration." [Text] [Johannesburg RAND DAILY MAIL in English 24 Sep 84 p 7]

REGULATION OF BUSINESS--The idea of industrial development being strongly influenced by government policy took a knock--to a round of "hear, hears"--at the Institute of Directors' conference this week. The conference, held in Johannesburg, looked at strategic planning for the future business environment. Dr Francois Jacobsz, a member of the President's Council and a director of companies, including Leyland (South Africa), was warned that some of his ideas were "gravely dangerous" to South African business. Dr Jacobsz had said that the phasing out of inefficient ones was regarded as a function of government. But the administrative director of the Free Market Foundation, Mr Eustace Davie, told Dr Jacobsz that business was a discovery process and that the "right thing" to do was to find out by the painful process of "risk-taking and a great deal of failure." As far as monopolies were concerned, Mr Davie said he wanted to "leap to the defence" of businessmen. The Small Business Development Corporation had identified excessive regulations as the greatest problem preventing small businesses from functioning, he said. "Take them away and small businesses will be created by people who want to further their own economic positions," Mr Davie said. "A free market is not achieved by state planning but through de-regulation." [Text] [Johannesburg BUSINESS EXPRESS in English 23 Sep 84 p 1 B]

SOLIDARITY PARTY PLANS--Dr Jayaram Reddy's Solidarity Party, which forms the official opposition in the Indian House of Delegates, plans to contest all future elections at municipal level. Since the party was formed in January, members have debated whether to use Local Affairs and Management Committees as a "power base" to win support. A final debate on this matter will be held when the national executive of the party meets behind closed doors at Rajab Centre on Sunday. National chairman of the party, Mr Pat Poovalingam, yesterday confirmed that Sunday's meeting would discuss Solidarity's role at municipal and other levels. "Yes, it is true there are some within the party who believe we should spread our wings and contest municipal, LAC, Management and Town Board elections to give the community effective leadership," he said. [Text] [Durban POST NATAL in English 26-29 Sep 84 p 3]

TRANSKEI EXPELS STUDENTS--Umtata--All University of Transkei students were yesterday expelled by the Minister of Education, Mr H.H. Butu. The government decision was taken because of the students' intransigent attitude towards the authorities' efforts to persuade them to return to classes, Mr Bubu said. The expulsion affects all full-time students. They will have to apply for readmission next year. Mr Bubu said he hoped the action would end the unrest which has disrupted classes on the campus since early this year. Part-time students will be able to continue classes.--Sapa [Text] [Johannesburg THE STAR in English 27 Sep 84 p 1 M]

LIAISON WITH MOZAMBIQUE--Komatipoort--The three-man liaison committee formed in July this year to determine means of helping Mozambique rebuild its economy has grown into an active organisation. Named Group 15, the committee now consists of representatives from agriculture, tourism, trade and industry, forestry, health and medicine, labour, finance, recreation and the media. A special sub-committee operating under the umbrella of the Regional Development Action Committee (RDAC) will act as liaison between the various government departments. Since the formation of the three-man Repmosa committee under the chairmanship of Komatipoort businessman Mr Johnny Henn, contact has been made with several high-ranking Mozambican officials and was instrumental in the signing of the declaration of intent at Inhaca Island. Mr Henn said joint ventures over a 10-year period would ensure sound and steady growth. At a Group-15 meeting in Komatipoort yesterday a management committee to replace Repmosa was elected. "Repmosa has outgrown itself but the foundations have been laid. Now it's up to Group 15 to build on them," said Mr Henn. [Text] [Johannesburg THE STAR in English 21 Sep 84 p 2 M]

'SICK SOCIETY' CLAIM--South Africa has all the characteristics of a "sick society," says Professor J.M. Scheepers of the Rand Afrikaans University's department of psychology. Professor Scheepers was addressing a seminar on the handling of firearms at Unisa's Institute of Criminology yesterday. He said South Africa had alarmingly high rates of murder, suicide, homicide, divorce and criminal insanity. "We treat this as something normal--and still regard ourselves as a civilised Christian nation," he said. Professor Scheepers said he respected the right of self-defence, and could understand people carrying weapons if they were frequently in danger. But South Africa could be compared to gangster-ridden Chicago. "Many people

walk around armed to the teeth. I notice that some RAU students come to lectures with guns in holsters. "People have a distorted sense of reality. They see violence where there is none because of their own personality deficiencies," he said. Professor Scheepers said a person's motive for wanting a weapon should be established when he applied for a licence to own one. It was important to find out whether the applicant respected human life. [Text] [Johannesburg THE STAR in English 27 Sep 84 p 1 M]

TAIWANESE COLLABORATION ON SEMICONDUCTORS--A mutual interest in semiconductor materials and devices will lead to cooperation between South Africa and the Republic of China in future. The form this will initially take was worked out at a workshop at the CSIR in May attended by four Taiwanese scientists. In the field of materials, activities identified for collaboration include the epitaxial growth and electro-optical characterization of GaAs and HgCdTe, which will be the local responsibility of Professor J.S. Vermaak of UPE and Dr Harry Booyens of the CSIR, respectively. The computer-assisted design of circuits and the technology to produce very large scale integrated circuits are a second important component of the programme, with Professor P. Rademeyer as the local coordinator. It is hoped that in due course industry in the two countries will benefit from the exchange of integrated circuits as a way of overcoming the limitations of local production capacity and the joint development of circuits for particular applications in measurement and control devices. [Text] [Marshalltown SOUTH AFRICAN JOURNAL OF SCIENCE in English Aug 84 p 345]

FUNDS FOR BIOTECHNOLOGY--The Anglo American and DeBeers Chairman's Fund will contribute R500 000 over the next five years towards the establishment of an Institute for Biotechnical Research at Stellenbosch University. The institute, a joint undertaking by the departments of biochemistry, genetics and microbiology and virology at the university, will involve itself initially in a research programme on the improvement of effluent quality and in the production of new and improved plant strains in crops appropriate for Southern African conditions. Once established, the institute will be in a position to undertake research work on behalf of government bodies and private enterprise. [Text] [Marshalltown SOUTH AFRICAN JOURNAL OF SCIENCE in English Aug 84 p 345]

MARINE SCIENCE AT UPE--A Department of Oceanography has been established in the Faculty of Science at the University of Port Elizabeth under Dr Des Lord, until recently with the CSIR's Cooperative Scientific Programmes. Research emphasis will initially be on the chemical and physical properties of Algoa Bay, including near-shore and estuarine hydrology. Marine and estuarine science at UPE, which involves contributions from the departments of botany, geology, oceanography, zoology and applied mathematics, includes studies of the following: the structure and dynamics of high energy beach and surf zone ecosystems; the hydrology and ecology of the Swartkops and Sundays estuaries; the biology of penguins of St Croix island; the marine fishes and cetaceans of Algoa Bay; marine pollution studies and surface currents along the eastern Cape coast. [Text] [Marshalltown SOUTH AFRICAN JOURNAL OF SCIENCE in English Aug 84 p 345]

TREASON TRIAL CONVICTIONS--Three whites originally charged with high treason were yesterday convicted on alternative charges, it was announced in the Pretoria Supreme Court. Sentence will be passed today on Roland Mark Hunter, 25, of Forest Town, Johannesburg, Derek Andre Hanekom, 31, and his wife, Patricia Elizabeth Hanekom, 27, of Magaliesburg. All three were yesterday found guilty by Mr Justice D.J. Curlewis on charges of contravening the Defence, Publications and Internal Security Acts after a two-day hearing held in camera. Hunter, a former clerk with the Military Intelligence of the South African Defence Force, was found guilty of contravening Section 118(4) of the Defence Act of 1957. This section has to do with SADF members disclosing confidential information relating to the defence of the country to unauthorised people. Derek Hanekom and his wife were both found guilty of contravening Section 8(1)(d) of the Publications Act of 1974, which has to do with the possession of prohibited publications disseminated by unlawful organisations. Patricia Hanekom was found guilty, too, of contravening Section 56(1)(p) of the Internal Security Act, which deals with the production of prohibited publications. Mr Don Brunette SC, the Attorney-General, and Dr J. D'Oliveira appeared for the State. Mr E. Wentzel SC, with Mr N. de Vos and Mr G. Marcus, appeared for the three. [Text] [Johannesburg RAND DAILY MAIL in English 26 Sep 84 p 5]

COTTON FARMING URGED--The SA Agricultural Union has made an all-out appeal for farmers who have suitable growing conditions to grow cotton in the new planting season. Gert Schoonbee, chairman of the SA Agricultural Union's National Cotton Committee, says SA desperately needs cotton. Low SA production must be topped up by imports costing hundreds of millions of rand a year in foreign exchange. Mr Schoonbee made the appeal at a meeting between the Cotton Board and SA spinners on Friday. He said cotton producers should take note that 323 000 bales of cotton is used in SA but supply was only 167 000 bales during the 1983/84 season. During the meeting it was agreed with spinners that the basic price payable to the producer will increase by at least 10% for the 1984/85 season. Mr Schoonbee said: "An increase in cotton production in the new season has the further benefit that it will lead to a cut in the processing costs at millers. The processing costs for the 1982/83 season were 27c/kg for the 137 000 bales of cotton handled by millers. "During the 1983/84 season costs dropped to 15c/kg because millers handled 300 000 cotton bales," he said. [Text] [Johannesburg SUNDAY TIMES in English 30 Sep 84 p 5]

ZAMBEZI WATER TO REEF--Zambezi River water may soon be piped to the Reef. Mr Braam Raubenheimer, a former Minister of Water Affairs and now chairman of a Government committee investigating Vaal River water supply, said in Pretoria yesterday that proposals to bring Zambezi water to the Vaal Dam were being studied. South Africa was responsible for the economic development of the sub-continent and inter-state negotiations aimed at integrating water resources were on the cards, he said. Another innovation to be considered was to make capital for a water supply independent from the Treasury. Water supply should follow independent long-term planning and it could be feasible to set up an Escom-type corporation to provide and sell water on an economic basis, he said. [Text] [Johannesburg THE STAR in English 29 Sep 84 p 3]

CSO: 3400/52

TANZANIA

STATUS OF RELATIONS WITH CHINA REVIEWED

Dar es Salaam DAILY NEWS in English 18 Sep 84 p 1

[Text] Tanzania values her longstanding friendship with the People's Republic of China which has consistently given highest priority to promoting cordial relations with African countries.

And Sino-Tanzania relations date back to 1965 when one of China's distinguished leaders, Chou Enlai, visited a number of African countries including Tanzania.

The world has since seen many changes the world over including China's increased role in the community of nations and especially in championing the cause of the oppressed in Africa and elsewhere in the world.

Tanzania has found China an invaluable partner, the two countries have continued to co-operate in furtherance of their common goals and for the sake of genuine friendship.

Most significant has been the dedication of the Chinese people to build socialism in their country and promote the cause of international socialism from which we have drawn invaluable lesson for our aspirations to build a socialist society.

The current friendship and goodwill visit to China by Premier Salim Ahmed Salim and the sheer warmth of the reception accorded him is further testimony of the desire to enhance the old friendship existing between the peoples of the two countries.

Tanzanians as well as the people of Africa are conscious of the perseverance and sacrifices the Chinese people have made and are continuing to make in support of the continent's liberation struggle.

Had it not been for the support afforded by China, the geo-political map of Southern Africa would not have been so positively altered today. It is heartening that China has not flinched in lending support to the nationalist movements in the region.

In all this, China stands out as an example of revolutionary solidarity and countries such as ours have benefited a lot from Chinese economic assistance in the transport, agriculture and social service sectors.

Premier Salim's visit takes place at a time when our present economic conditions, borne out of the largely hostile global situation, militate against efforts to attain our goals for self-reliant development.

This has meant that we intensify efforts to take care of problems that are of a domestic nature ourselves and making good use of the support that has been readily coming from friendly countries such as China.

Indeed, there exists between China and Tanzania a sufficient measure of cooperation in this direction and this is certain to figure out when the two countries hold frank talks on matters of mutual concern, including a review of the international scene.

We are hopeful that Premier Salim's visit, like the visit of his host Premier Zhao Ziyang to Tanzania last year, will further consolidate our excellent relations.

CSO: 3400/62

TDL MAKES 69.8 MILLION NET PROFIT

Dar es Salaam DAILY NEWS in English 14 Sep 84 p 3

[Text] The Tanzania Dairies Limited (TDL) realised a profit of 69.8m/- from sales of milk products in their seven plants last year, it was revealed in Arusha yesterday.

TDL General Manager Ndugu Alfred Lohay said in Arusha that the profit was an increase of 16.3m/- compared to 1982 profits, Shiha a reported.

He attributed the company's success to what he called "workers commitment to work."

He said the profit would have been higher had it not been for the shortage of milk powder and butter oil which seriously affected production at the Dar es Salaam, Arusha, Tanga and Tabora plants.

The four plants have facilities to process milk powder and butter oil to liquid milk while the Mbeya, Utegi and Musoma plants normally rely on milk collected from local livestock keepers.

The Manager explained that frequent breakdowns of machinery due to old age, lack of spare parts for maintenance and lack of packaging materials also affected production in most of the plants.

Meanwhile, Ndugu Lohay said to solve the problems of shortage of packaging materials, TDL is distributing milk in ordinary buckets.

The General Manager said however, that this system was not ideal, for apart from being unhygienic, it gave milk retailers the chance to adulterate the product before it reached consumers.

CSO: 3400/62

PARASTATALS PAY 63 MILLION TO COOPERATIVES

Dar es Salaam DAILY NEWS in English 15 Sep 84 p 3

[Article by Maelezo Reporter, Dodoma]

[Text] Parastatals and crop authorities have paid 63,346,168/- for assets of the 21 regional co-operative unions dissolved on May 14, 1976. The assets are worth 440,838,706/-.

This is contained in a report tabled here before a meeting of co-operative officials by the Chief Auditor and Director of Inspectorate Co-operative Unions, Ndugu Damas Juma Kinabo. The parastatals and crop authorities had yet to pay 377,489,538/-, he said.

Ndugu Kinabo said when the 21 unions were dissolved, they had fixed, moveable assets and liabilities amounting to 808,447,083/-. The liabilities amounted to 316,693,740/-, while 491,753,343/- was surplus.

He said assets worth 427,591,508/- and some 156,823,364/- in liabilities were confirmed when the unions were dissolved. Surplus was estimated at 270,768,144/-.

Ndugu Kinabo said serious efforts were made by the Government and that by 1977 the loan had been paid back. At the moment, he explained, the unions owed the bank only 53,000,000/-.

Meanwhile, the Head of the Ideology, Political Education and Training Department of the Party National Executive Committee (NEC) Secretariat, Ndugu Kingunge Ngombale Mwiru, said the Party was responsible for drawing intellectuals into the process of building Ujamaa.

Ndugu Ngombale-Mwiru, who is also the Minister of State in the Prime Minister's Office responsible for Cooperatives, said this in Dodoma when opening a two-day meeting of cooperative officers from the Mainland and Isles.

He said intellectuals had the responsibility to hasten development, hence they had to work hand in hand with the masses at all levels.

CSO: 3400/62

GOVERNMENT ANNOUNCES IMPORT LIST

Dar es Salaam DAILY NEWS in English 18 Sep 84 p 1

[Text] The Government has announced the full list of items that may be imported into the country by individuals who have access to foreign exchange.

The list includes items announced by the Minister for Finance, Ndugu Cleopa Msuya, during Budget session last June. They were spare parts for vehicles and machinery, soap, cooking fat, tooth brush and toothpaste.

The full list issued by the Ministry of Industries and Trade includes tractors and spares, trucks and pick-ups, buses, gents, ladies and children wear.

Other items are piece goods (continuous), piece goods (discontinuous), shoes, (canvas and rubber shoes and children's shoes), shoes polish, socks and stock-sockings.

Others are roofing materials, white cement, sanitary and lavatory appliances (e.g. basins, sinks), galvanized wire-mesh, screws, bolts, nails, (roofing nails and others), hinges, locks and door handles, tiles (walls and floor) and other ceramic products and louvre glass.

Electrical goods include electrical fittings for buildings (e.g. plugs, sockets), electrical pressing irons, cables, bulbs and lighting fittings.

Importers of items worth 10,000/- or more should be required to have an import licence, the ministry said in a statement.

However, import licence for goods whose value did not exceed 10,000/- was not necessary. Importers would only be charged customs duty and sales tax.

CSO: 3400/62

LIVESTOCK REDUCTION URGED

Dar es Salaam DAILY NEWS in English 18 Sep 84 p 1

[Text] The Government has been urged to prepare a comprehensive destocking programme for areas hard-hit by drought to slow rate of desertification in the country.

A three-day international workshop on afforestation which ended at Mwaui at the weekend, resolved that the number of livestock should match with grazing land available.

The participants observed that many areas hit by drought were slowly turning into deserts. Livestock populations in the areas was also bigger than the grazing land could support, Shihata reported.

They suggested that regions with few animals should make arrangements to receive livestock keepers from areas earmarked for destocking.

The participants also called on early completion of the Shinyanga and Mbeya meat processing plants so that the destocked animals could be sent there for slaughter and processing.

The participants reminded the Government of the need to utilise Lake Victoria water for irrigation schemes in Shinyanga, Singida and Dodoma areas to increase food production.

On bush fires, the workshop called for the setting up of tribunals at village level which would try and punish offenders.

They called for appropriate plans for land utilisation at village, division, district and regional levels to enhance economic efficiency. They said proper plans would enable authorities to know areas needed for agriculture, livestock and tree planting.

The workshop delegates resolved that biogas, coal, electricity, gas and solar energy be made available for use to reduce dependence on firewood.

They asked the Government to expand the Arusha and Mwanza industries producing electric cookers in order to meet the growing demand.

The Ministry of Water, Energy and Minerals in collaboration with the Ministry of Agriculture and Livestock Development was asked to put up small dams in areas affected by drought for irrigation purposes.

CSO: 3400/62

BRIEFS

DELEGATION TO BULGARIA--The Chief Justice, Ndugu Francis Nyalali, was expected to leave Dar es Salaam last night for Bulgaria on a two-week tour. Ndugu Nyalali is accompanied by Dodoma High Court Judge, Ndugu K.S. Lugakingira and Dr S.J. Mbwana of the Judiciary Department, Ministry of Justice. According to Shihata, the CJ is expected to study the legal system in that socialist country. [Text] [Dar es Salaam DAILY NEWS in English 18 Sep 84 p 3]

CHINESE EXPERTS VISIT--Chinese railway experts currently on a tour of the Tanzania-Zambia Railway Authority (TAZARA) installations have said there was a need to offer specialized training to Tazara workers to improve their efficiency. The three-man team led by Ndugu Pu Ke, head of the Chinese expert team which planned and built the railway, made the remark when it called on the Minister for Communications and Works, Ndugu John Malecela, in Dar es Salaam yesterday. Ndugu Malecela told the delegation that Tazara workers had already grasped the kind of problems which were limiting their performance and that of the railway. The second phase of training should help them overcome those problems, he proposed. The Minister told the Chinese experts that despite technical problems, Tazara realised a surplus of about 90m/- this year. This shows that Tazara was not doing badly, he added. Ndugu Pu Ke said Tazara was not only a symbol of friendship between Tanzania, China and Zambia but was also a good example of South-South cooperation. [Text] [Dar es Salaam DAILY NEWS in English 20 Sep 84 p 5]

POWERLINE TO AIRPORT--The Tanzania Electric Supply Company (TANESCO) has completed construction of a new 4-megawatt powerline to the Dar es Salaam International Airport to contain power fluctuations and interruptions at the new airport terminal. TANESCO's Acting Director of Operations, Ndugu K. Iranga, said in the city yesterday that since the power line's capacity was 4 megawatts, the company was considering to supply the extra electricity to the old airport terminal, army camps and factories near the airport. However, he said this would depend on availability of additional switch gear. The French contracting firm, Bouygues, has paid TANESCO 1.5m/- for the new powerline. [Text] [Dar es Salaam DAILY NEWS in English 20 Sep 84 p 5]

GDR DONATION TO ANC--The German Democratic Republic (GDR) has pledged continued support to the liberation movements in southern Africa in their struggle for national independence. The First Secretary of the GDR embassy in Tanzania, Ndugu Dietrich Wendlandt, said this when presenting a consignment of textiles and other goods to the African National Congress (ANC) of South Africa Acting representative for East Africa, Ndugu Mendi Msimang, on Tuesday. He accused South Africa for its destabilisation policies against independent African countries. [Text] [Dar es Salaam DAILY NEWS in English 20 Sep 84 p 5]

VIJANA TEAM TO USSR--A two-man delegation of the Tanzania Youth Organisation (VIJANA) leaves Dar es Salaam today for Minski in the Soviet Union to attend a meeting of youths from socialist countries and southern Africa Frontline States. A statement issued by VIJANA in the city yesterday said the delegation will, after the meeting scheduled to begin tomorrow, attend a preparatory meeting for the twelfth youth festival in Athens, Greece. The delegation is led by a member of the VIJANA Central Council, Ndugu Amon G. Gimanche, who is the VIJANA Chairman for Mara region. The other member of the delegation is the VIJANA Assistant Secretary-General in Zanzibar, Ndugu Ali Rajab Juma. [Text] [Dar es Salaam DAILY NEWS in English 19 Sep 84 p 5]

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